Daily Report

Latin America

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FBIS-LAT-90-022 *1 February 1990*

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Cuba

Further on U.S. 'Attack' on Cargo Ship

Havana TV Details Incident

FL3101194890 Havana Tele Rebelde Network in Spanish 1828 GMT 31 Jan 90

[Text] A U.S. Coast Guard ship fired upon and attempted to sink a merchant ship leased by Cuba.

Beginning at 0720 yesterday, 30 January, a U.S. Coast Guard ship harassed and attacked the merchant ship "Herman" in international waters in the Gulf of Mexico and in Mexican territorial waters. The "Herman" has a 3,592-ton displacement, a length of 79 meters, is registered under the Panamanian flag, has a Cuban crew, and is leased by the Cubana de Navegacion Caribe Enterprise.

The "Herman" sailed from Moa on 25 January with a shipment of chromium for the port of Tampico in Mexico, where it arrived seriously damaged on the morning of 31 January.

The ship was pursued from the top of the Yucatan by the U.S. Coast Guard ship "WBP-1320 Chincoteague," which initially used hoses with pressurized water against the "Herman." At night, the Coast Guard ship kept the "Herman" illuminated through the use of reflector lights. On several occasions, the U.S. ship shot at the "Herman" to intimidate it and demanded that it stop and allow its crew to board the merchant ship. The Coast Guard ship alleged that it was following orders issued by the U.S. Government.

From 0608 to 0724 today, 31 January, close to Mexican territorial waters, the U.S. Coast Guard ship directly attacked the "Herman" from approximately 800 meters. Its machine-gun fire struck the bridge, the deck, the machinery department, and hold No. 2, seriously endangering the lives of the Cuban crew.

Close to two oil towers in Mexican territorial waters at approximately 0700, the U.S. Coast Guard violently intensified its gunfire, with the clear purpose of sinking the merchant ship, while it verbally threatened the crew of the "Herman." The gunfire stopped at 0724, and at 0732, the ship entered Mexican territorial waters.

The merchant ship leased by Cuba was hit countless times. If no crew member was injured, it was because of the effectiveness of the defensive measures taken, including constant maneuvers. During the persecution, the U.S. Coast Guard ship on several occasions came dangerously close to the merchant ship with its Yankee crew armed and prepared to board the "Herman." This forced the merchant ship to implement constant maneuvers to prevent them from carrying out their mission.

Meanwhile, the Cuban crew, armed with machetes, knives, axes, and whatever they could find, prepared themselves to prevent the U.S. crew from boarding the ship, and they were ready to annihilate any of the Yankee pirates who attempted to do so.

At 0740 on 31 January, 10 miles from the Mexican coast, and after the U.S. Coast Guard ship once again threatened the "Herman" captain that it would sink the merchant ship if he did not stop—once again alleging that it had orders from his government—the U.S. Coast Guard ship finally withdrew, abandoning the attack on the merchant ship.

The Cuban captain at all times maintained radio communications with Cuba from where he received instructions to not allow, under any circumstance, the ship to be boarded, and to fight to the end.

This once again demonstrates that the United States acts like it owns the world and, with its proverbial barbarity, seems willing to hinder free and normal trade between Cuba and Mexico.

The decisive, dignified, and brave conduct of Captain Diego Sanchez Serrano and of the other Cuban crew members, who preferred to be sunk at sea rather than to be humiliated by the Yankee henchmen, once again demonstrates that the imperialists' arrogance retreats when faced by the attacked people's morale to fight—this is another lesson for the enemies of Cuba.

The ship's crew is comprised of Diego Sanchez Serrano, captain; Hector Maura Diaz, first officer; Santiago Rodriguez Maya, second officer; Hector Gonzalez Pajez, third officer; Jesus F. Dole Calzadilla, chief machinist; Jacinto Barnot Camilo, second chief machiniest; Lino de la Luz Reyes Rosel, electrician; Mario Andres Hidalgo Oliver, assistant machinist; Osvaldo Santiago Vega Timonel; and Angel Bertot Gutierrez, cook.

With their brave conduct, these men performed a truly heroic feat, which reflects our people's temperament and fighting spirit. They gave further unequivocal proof of what will be found by those who attempt to attack our country, where the fresh and invincible spirit of Baragua will always wait for them.

Embassy Makes Statement

FL3101171490 Mexico City NOTIMEX in Spanish 1654 GMT 31 Jan 90

[Text] Mexico, 31 Jan (NOTIMEX)—The Cuban Embassy in Mexico today described as an act of piracy and harassment an attack perpetrated this morning by a U.S. warship against a Cuban cargo ship with a Panamanian flag.

PRENSA LATINA reported that the attack occurred some 10 miles off the Mexican coast in Mexican jurisdictional waters.

Ramon Perez Yero, minister counselor of the Cuban diplomatic mission, stated that the Cuban merchant ship "Herman" was harassed as it was heading for the Mexican port of Tampico. He said the action was a violation

of international rules of law and that the ship was now already safe in the port of Tampico. He added the "Herman," which bears a Panamanian flag but which is manned by Cuban crewmen, had been attacked with artillery fire by the U.S. warship last night and that the harassment ceased early this morning when it entered Mexican waters. Perez Yero said that after it left the port of Moa, Cuba, the "Herman" was attacked in international waters by combat units of the U.S. Navy.

The "Herman," a small cargo ship with an approximately 2,300-ton deadweight, is operated by the Cuban enterprise Guamar Shipping Company and is carrying 10,000 tons of chromium.

UN Envoy Voices Criticism

FL0102040990 Havana Radio Reloj Network in Spanish 0402 GMT 1 Feb 90

[Text] Ricardo Alarcon, Cuban ambassador to the United Nations, has described the U.S. Coast Guard attack on a ship with a Cuban crew as an act of piracy and violation of international laws. Alarcon said that the attack, carried out by the U.S. Coast Guard vessel, represents a return to the North American past of international piracy. The Cuban representative at the United Nations recalled that the United States is one of the biggest commercial users of Caribbean waters and should be the most interested in ensuring that international pacts and agreements are respected. The "Herman," a Cuban ship carrying a load of chromium to Mexico, was harassed and attacked by a Yankee vessel in international waters. According to the latest reports, the ship has docked in Tampico, Mexico, where it was met by Cuban Ambassador Jose Fernandez de Cossio.

Ship Docks in Tampico

FL0102025390 Havana Radio Reloj Network in Spanish 0232 GMT 1 Feb 90

[Text] The Cuban ship "Herman" sailed into the port of Tampico a few hours ago after being attacked in international waters of the Gulf by a U.S. Coast Guard vessel. The ship shows signs of having been hit several times. NOTIMEX has reported that the Cuban Embassy in Mexico described the attack, which has been confirmed by the U.S. Coast Guard, as an act of piracy. Jose Fernandez de Cossio, Cuban ambassador to Mexico, waited for the ship to dock in the port of Tampico and boarded the vessel affected by the Yankee actions. According to a statement released by the Mexican Foreign Secretariat, the attack occurred outside Mexican territorial waters. Meanwhile, Dieter Sulfe, general manager of the Mexican naval consignment agency, said that the attack was unjustified.

Demonstration Scheduled

FL0102123890 Havana Tele Rebelde Network in Spanish 1202 GMT 1 Feb 90

[Excerpts] The people of Havana City will gather today at 1800 in the area surrounding the monument near the sea wall [malecon] to demonstrate their condemnation of the cowardly aggression perpetrated by a U.S. Coast Guard cutter against the "Herman" cargo ship, registered under a Panamanian flag and leased by the Navegacion Caribe Enterprise, in international waters in the Gulf of Mexico and, later, in Mexican territorial waters.

Since this news was reported, a wave of indignation has passed through work centers and homes in the capital. The people of Havana City have decided to gather, not only to repudiate the vandalic action, but also to exalt the firm and patriotic attitude of the crew of the cargo ship, who did not allow themselves to be intimidated. They resisted the aggression and will be present during the ceremony.

The brave crew of the "Herman" will be present during the ceremony, which will be carried live by Cubavision and Radio Rebelde. The ceremony will be rebroadcast at 2030 by Tele Rebelde.

Feelings of People Reported

FL0102132690 Havana Radio Rebelde Network in Spanish 1152 GMT 1 Feb 90

[From the "Haciendo Radio" program]

[Text] The cry of "Socialism or death!" can be heard more strongly today throughout all of Cuba. Our people once again awake this morning willing to do their work without neglecting our defense at any time. We are prepared for anything.

The required talk on the streets, in cars, buses, and cafeterias—wherever there is a Cuban—is about the barbaric and disrespectful action of the U.S. Coast Guard cutter which, on orders of the Bush government, shot at and tried to sink the "Herman," which has a Cuban crew.

We are not willing to allow ourselves to be threatened. Cuba eternally maintains its spirit of Baragua, and it will always be respected.

Port Captain Denies Allegations

PA0102131390 Havana International Service in Spanish 1231 GMT 1 Feb 90

[Text] Aristides Palma Palma, the captain of the Mexican port of Tampico, denied today that the Panamanian-flag Cuban merchant ship "Herman" carried drugs.

The cabins of the Cuban merchant ship Herman were deliberately strafed with machine-gun fire by the U.S. Coast Guard ship No U.S. 1320, complained the ship's captain, Diego Sanchez Serrano, in Tampico.

On 31 January, the evening newspaper OVACIONES described as a pirate attack the action staged by a U.S. Coast Guard vessel against a Cuban merchant ship which was headed for the port of Tampico.

Jose Fernandez de Cossio, Cuban ambassador to Mexico, said that the United States is trying to impose international practices that deny freedom of navigation.

The people of the city of Havana will gather today in areas near the city waterfront to protest the recent attack by a U.S. warship on a Cuban merchant ship in Gulf of Mexico waters.

Castro Questions Delegates at Congress

FL0102001590 Havana Cubavision Network in Spanish 0200 GMT 31 Jan 90

[Part 1 of "Memories of a Congress" program on the 16th Congress of the Cuban Workers Federation held from 24-28 January in Havana—recorded]

[Excerpts] [passage omitted] [Castro] The ship, how often does it come with the materials?

[Jacinto de Armas, delegate from construction contingent in Bluefields, Nicaragua] Well, we have had some deficiencies, but small ones. We have all had deficiencies, but they have not affected us that much. What most...

[Castro, interrupting] What do you get from the ship? Cement? Does the ship bring you cement? Doesn't it also bring you other materials? What kind of roof are you putting on the houses?

[De Armas] Asbestos.

[Castro] Does the ship bring you the asbestos from here?

[De Armas] The ship takes it to [name indistinct].

[Castro] How many cubic meters of wood is given to each house.

[De Armas] The wood I cannot...[changes thought] I can tell you about the sand, but not about the wood. I have the figures, but not here with me.

[Castro] What method are you using for the walls?

[De Armas] In the Sandino-type houses, we are using panels for the walls. Some assembly brigades put the panels with the columns. These houses may have 180 panels and 53 columns. There are different types of houses—14 to be exact. At this time, we are conducting a study to see if we can reduce the types of houses to a minimum so that it will be easier to build them.

[Castro] How many have you completed?

[De Armas] We have completed and handed over 60. We have 180 cemented. We have 84 that are cemented and covered, and we have a few with floors. This is really what I was reporting before. We must take advantage of the present dry season. We must not stop working for even a minute so that we can cement the houses, put on the covers, and put on the roofs, so that when the rain starts, we will at least already be working inside.

[Castro] Inside, right?

[De Armas] Yes, inside.

[Castro] In any case, it will not be easy for you to finish the 1,000 houses in 1991 with all these obstacles, especially with the climate, even if you solved the problem of the wood.

[De Armas] No, we are sure we will not finish them. It will not be easy because it rains in the morning, in the afternoon; it can rain at any time. Then, what happens? It can be raining, and all of a sudden a very hot sun comes out. Then we say: We are safe now, we are going to start again. Then half an hour later, it begins to get cloudy and starts to rain.

[Castro] How many workers do you have in all?

[De Armas] We have 364 men and 57 women. [passage omitted]

[Castro] The El Globo warehouse....[changes thought] To help you and deduct the time....[changes thought] That warehouse is a disaster. They are now starting to straighten it out. That warehouse was the subject of a discussion in the Executive Committee just 10 days ago, a few days ago. We have a videotape about that warehouse. It was in total disorder inside—the merchandise, the things. There was total disorder outside, the containers were scattered all around; some containers had been turned into offices. The bathrooms were a total disaster. So there....[changes thought] There was not even a fence. And we have an entire videotape. The comrades from the Ministry of the Interior made a videotape of the situation.

After the videotape was made, a number of measures were taken to begin to remedy the situation. At least the containers were put in order, in lines there. And a program was launched, and it was demanded....[changes thought] We spoke with the people's government and with the Ministry of Domestic Trade to try to straighten out the warehouse. Not only that, but based on the problems of that particular warehouse, we began to study what problems other warehouses have, because it was said that there were other warehouses that had the same or worse problems. [passage omitted]

[Antonio Gueton Silva, delegate from Holguin] Our bus drivers can drive up to 240 hours in 20 days, and from there on the drivers have to leave their vehicles. This is a war every day with the drivers. The drivers do not want to leave their vehicles. If they work 300 hours, they should be paid for 300 hours. If they work 280, they should be paid for 280 hours—their 24 days of work. I do not see why this would be a problem. However, we are limited by the resolution, or regulation, that is in force. I think that the congress should evaluate this and add it, if possible, to its resolution.

[Castro] When was this resolution promulgated?

[Gueton] This resolution...

[Unidentified speaker, interrupting] What year was the resolution from? Has it been in effect for many years?

[Gueton] Yes, it has.

[Castro, interrupting] This means that they do not rotate the vehicles. Do they rotate them or not?

[Gueton] They rotate them. They rotate them constantly. There is no responsibility, and that is the problem. The drivers want to have their....

[Castro, interrupting] You say that this has been brought up in almost all the assemblies, in many assemblies.

[Gueton] It has been brought up everywhere in the country.

[Castro] What is it you are proposing specifically?

[Gueton] The people want...[changes thought] What they propose...

[Castro, interrupting] Is it to lift the restriction?

[Gueton] Yes, they want to lift the restriction so they can have a designatd car, and to be able to service it. Because it is claimed that rotation problems affect service. The drivers are willing to stay longer so they can keep their cars, so that they can take care of their cars, so they can service their cars. Many times in this....

[Castro, interrupting] Can this be done with all types of transportation or only with some types?

[Gueton] It is being proposed for the bus and car services, basically.

[Castro] When you say buses, do you mean the city buses? Is he talking about the city buses?

[Gueton] No, basically no. We are basically talking about inter-city buses.

[Castro] The intercity ones.

[Gueton] We are also talking about school buses. [passage omittd]

[Jesus Diaz, delegate from the tuna fleet] We feel very bad because this year we were not able to fulfill the plan for 1989 as we have always done in the past. This year, we only fulfilled our plan by 73 percent. We only fished during 8 of the 16 scheduled fishing periods.

[Castro] [Words indistinct].

[Diaz] No, Commander, the tuna did not disappear. The problem is that we were scheduled for 16 fishing periods and we were only able during 8 because of the technical state of our ships. You know that our ships have been used for 25 years and that they only run thanks to the efforts of our fishermen. They are running a little bit longer now; however, we believe that by 1992 we won't be able to use our ships any longer. Our fishermen are very concerned about the consequences of this situation. You know what we can do with this tuna. I understand that it can be bought...[changes thought] The Blas Roca contingents and other contingents had said this.

[Castro] It is used directly...

[Diaz] That is right.

[Castro] It is used directly for the contingents, minibrigades. That is right, we need the ships. The fleet is expensive. The ships have become very expensive—the ones that were fishing outside...[changes thought] The fleet was going to be deactivated. But it was kept because of the supplies we need.

[Jorge A. Fernandez, minister of fishing industry] By the second semester of the year, it became necessary to start making greater repairs to the ships. This was done in conjunction with the fishing port of Havana and the repair brigade of the tuna fleet. They did a great job. This has permitted 90 percent of the fleet to be in fishing zones this year already. The ships are in better technical state than last year. It was a serious decision, but it had to be made. This is the first time in history that the fleet has 90 percent of its ships already in the high seas, in the middle of the Altantic Ocean.

[Diaz] This year we propose to use the hearts and livers of every tuna that we catch. We catch approximately 700...[corrects himself] 7,000 units, per ship. Therefore, that means that for the 13 fishing periods we have scheduled this year, we would be able to give almost 6 tons of livers and hearts to the populace. Normally, these parts are thrown away. I was telling the minister that this idea was somewhat [word indistinct] because the hearts and livers had to be analyzed. I told the minister that I have fished for 25 years and I have eaten livers and hearts all my life, and to just take a look at me. [laughter, applause] [Words indistinct].

[Castro] Have the livers been known to have parasites?

[Diaz] No, no.

[Castro] Why have we been throwing them away?

[Diaz] The reason is that we had been fishing in the area of La Palma, where they do not know about this. We were able to sell all the fish, but the hearts were not bought. There was no interest in selling these products. Hearts and livers are the kinds of products that can be considered like the [words indistinct]. However,...

[Castro, interrupting] The oil must be good.

[Diaz] You are right.

[Castro] Is the tuna's liver big?

[Diaz] Yes, it is very big. One liver is approximately 4.5 kilos.

[Castro] You don't say!

[Diaz] That is just the liver. The heart is as big as that of a cow. The heart of the tuna is this big. Just imagine 6 tons of tuna [words indistinct]. Therefore, we did not see a reason why we could not discuss these products here, especially when there is a shortage. We were proposing to the minister to...[changes thought] We throw out the [word indistinct].

[Castro] It is very rich in vitamins, especially in vitamin A.

[Diaz] Anyway, we are talking about this analysis-....[changes thought] The minister said we will do something about this now. We will begin to tell the ships to bring in the livers and hearts. However, the minister also told me that the captains say that bringing these parts in could take up space that normally would be for the fish themselves, such as the tuna, swordfish, and others. So, I told the minister...

[Castro, interrupting] Does the swordfish also have a large liver?

[Diaz] Yes, a very large one.

[Castro] Is it also thrown away?

[Diaz] Yes, it is thrown away. Everything is thrown away there. The only things we have brought back to the country are the heads of the [word indistinct] and swordfish.

[Castro] What about the [word indistinct], where do you fish for it?

[Diaz] We fish for it everywhere.

[Castro] That is the one that is preferred in that area?

[Diaz] That is right. Soap is made from it. [passage omitted]

Shipment of Military Weapons Arrives From Angola

FL3101224590 Havana Tele Rebelde Network in Spanish 1800 GMT 31 Jan 90

[Text] A new shipment of military weapons ready for combat use has arrived at the Santiago de Cuba port from Angola. The Soviet-flag ship "Skulptor Konenkov" sailed out of Angola shortly before the attack on Cuban troops that has forced the Luanda and Havana governments to temporarily suspend the withdrawal of our internationalist fighters.

Ten Cuban internationalists also returned home on the same ship. They were greeted by Brigadier General Harold Ferrer and other Revolutionary Armed Forces officers. As on previous occasions, the military weapons have been returned from Angola in top condition and will immediately be sent to the assigned military units, where they will be kept ready for combat should the imperialists decide to attack us.

Sugar Harvest Reportedly Experiencing Problems

FL3101194190 Havana Radio Rebelde Network in Spanish 1800 GMT 31 Jan 90

[Station commentary]

[Text] The sugar harvest is not going well, or at least not as well as it should. The start-up was accompanied by climatic instability, but this is not the case now. However, deliveries of sugarcane to the mills are less than expected. Why has the development of the struggle in recent weeks not been reflected positively if the work was being done in favorable climatic conditions?

Some reasons are known: for example, high indexes of breakdowns of the cutting machinery. It is imperative to verify this and other reasons, deal with them immediately with shirtsleeves rolled up, and put an end to all negative phenomena. Without being alarmist, nothing should be risked, not even one day's delay. This sugar harvest must be, has to be, the best we have ever had.

This is even a moral matter. Let us remember Fidel's words at the meeting of party leaders: At this time, the sugar harvest is the number one priority. This position would change only if there were a war situation.

Officials React to U.S.-Cuba Shipping Incident

Secretariat Issues Statement

FL3101191690 Mexico City NOTIMEX in Spanish 1842 GMT 31 Jan 90

[Text] Mexico, 31 Jan (NOTIMEX)—The Mexican Foreign Secretariat has denied that an attack against a Cuban cargo ship by a U.S. warship occurred in Mexican jurisdictional waters.

Based on information supplied by the Navy Secretariat, the Mexican Foreign Secretariat has issued a communique flatly denying a report that an attack against a Cuban merchant ship sailing under a Panamanian flag occurred in Mexican waters.

PRENSA LATINA, the Cuban news agency, has reported that the incident occurred in Mexican jurisdictional waters, some 10 miles off the Mexican coast.

Dieter Sulfe, general manager of a Mexican shipping company, has confirmed in Tampico that the Cuban ship—which has a 2,300-ton deadweight—was attacked by the U.S. Coast Guard vessel US-1230 at 0445 local time. Sulfe said the Cuban ship, which is in perfect conditions will dock at around 1430 in Tampico. He added that Diego Sanchez Serrano, the captain of the ship, reported that no member of his crew was injured.

The U.S. Embassy in Mexico has neither confirmed nor denied the report. It simply noted that it had no information on the subject.

Navy Comments

FL3101204190 Mexico City NOTIMEX in Spanish 1942 GMT 31 Jan 90

[Text] Mexico City, 31 Jan (NOTIMEX)—The Mexican Navy Secretariat today confirmed that a U.S. Coast Guard vessel attacked a Cuban cargo ship that was sailing under a Panamanian flag in international waters, across from the Gulf of Mexico.

The Navy reports that the Cuban ship was attacked today by the U.S. Coast Guard vessel "Chincoteague," 87 miles east of Tampico, and that it was fired upon 20 miles east of that port.

In a communique, the Mexican Navy stated that, in accordance with a U.S. Coast Guard statement, the attack occurred because the ship was suspected of carrying drugs.

The Navy added that, in accordance with the U.S. statement, the U.S. had previously requested authorization to inspect the ship from its captain, Diego Sanchez Serrano, who denied the request.

In the face of the captain's denial, an authorization to inspect the ship was obtained from the Panamanian Government, but Sanchez Serrano once again prevented the inspection.

The Mexican Navy says that, in accordance with the U.S. report, when the U.S. Coast Guard vessel used its weapons to stop the ship, the Cuban ship decided to enter Mexican waters and thus ended the chase. The U.S. vessel then sailed away from the area.

The Navy reports that the Mexican patrol vessel P-23 "Tamaulipas" and the MP-311 air naval unit were deployed to the area, and that the "Tamaulipas" was charged with escorting the merchant ship to the port of Tampico, Tamaulipas.

The Navy adds that as soon as the merchant ship arrives in the port of Tampico, it will be inspected to uncover further details of the incident.

Ship Under Protection

FL0102022290 Mexico City NOTIMEX in Spanish 0147 GMT 1 Feb 90

[Text] Tampico, (Mexico), 31 Jan (NOTIMEX)—The "Herman," the Cuban cargo ship attacked in international waters by a U.S. Coast Guard vessel, docked in Tampico this evening after 6 hours of being anchored off the coast of Tampico.

Tampico port captain Aristides Palma Palma explained that the Panamanian-flagged ship, with 11 Cuban crewmembers and leased to a Cuban company, had been hit approximately 50 times.

The 1,130-ton cargo ship reached the Tampico coast (Gulf of Mexico) at 1030 (1600 GMT) and was escorted in by members of the Mexican police, as well as customs and port captain personnel.

At the request of the U.S. authorities, who believed the ship was carrying drugs, the vessel was searched by members of the Mexican Navy before it was allowed to dock in Tampico. Palma Palma said that no drugs, or anything along those lines, were found on board.

Diego Sanchez Serrano, captain of the "Herman," said that the chase began yesterday in international waters and that the U.S. Coast Guard vessel, a U.S.-1320 "Chincoteague", fired on the ship today at 0445. Fortunately, no one was injured even though the ship was hit approximately 50 times, Sanchez Serrano added.

Cuban Ambassador to Mexico Jose Fernandez de Cossio said that the attack is nothing more than a typical act of piracy and terrorism by the United States against the peoples of Latin America. Fernandez de Cossio said that his country will bring charges against the U.S. Government because of the attack against the Panamanian ship.

Meanwhile, the "Herman" has been placed under the protection of the Mexican authorities to ensure that it remains in port.

Salinas de Gortari Begins Talks With Gorbachev

FL3101141690 Havana Radio Rebelde Network in Spanish 1350 GMT 31 Jan 90

[From the "Haciendo Radio" program]

[Text] After visiting the FRG, Mexican President Carlos Salinas de Gortari today began official talks in Moscow with the Soviet Union's top leader, Mikhail Gorbachev. Salinas de Gortari is on a 9-day European tour for the purpose of increasing trade, promoting investments, and expanding his country's ties with East and West Europe.

In the FRG, Salinas de Gortari received assurances from the government that Mexico will continue to be an important trade partner.

In France, the French newspaper LE FIGARO published an interview granted by the Mexican president, who stressed that Mexico wants to make sure that the changes that have occurred in East Europe will not make the countries of that continent forget Latin American countries.

Salinas Concerned Over Future of European Trade

FL3101174890 Mexico City NOTIMEX in Spanish 1433 GMT 31 Jan 90

[Text] Brussels, 31 Jan (NOTIMEX)—Mexican President Carlos Salinas de Gortari said that it is unlikely that social uprisings will occur in Mexico, adding that the country has solid institutions that are being modernized. The possibilities for social uprisings are low, very low. We have the proper channels to absorb the problems generated by our very difficult economic situation, Salinas de Gortari said in an interview published today in Belgium's DE STANDAARD newspaper.

The president stressed that the Mexican institutions are being modernized in accordance with the changing times and that such changes comprise a progressive nationalism [nacionalismo de avanzada] that reaffirms the country's identity but is not against anything foreign.

In the interview, published on the occasion of his visit to the Belgian capital, Salinas de Gortari also mentioned the changes in East Europe and reiterated his concern, because the Western Hemisphere's interest in European reforms affects Latin America. I am convinced that if East Europe becomes isolated from the West, that region stands to lose as much as Latin America would, the influential newspaper reported. Europe should be aware that its potential for economic cooperation is very good in Latin America, especially in Mexico, it said. In this regard, Salinas de Gortari said that Mexico—based on the country's economic achievements and open trade policies—can offer the EC deregulation and promote foreign investment.

In a separate interview with Belgium's LE SOIR newspaper, edited in French, Salinas de Gortari said that a good part of Mexico's international efforts are focused upon determining the best way to take advantage of trade, investment, and coinvestment opportunities in the EC. Mexico occupies a strategic position because of its geographic location to the United States and because of its location between the Pacific and Europe, in addition to having a market of 85 million residents, he said. The president said that the country can become a very important trade and economic center with Europe in general and especially with Belgium.

Salinas de Gortari stressed that the renegotiation of Mexico's foreign debt will allow the country to grow. Price stability can reduce the transfer of currency abroad from 6 percent of the gross domestic product (GDP) to 2 percent. The Mexican president expressed his conviction that Mexico is firm in its decision to sell and privatize state firms to generate the resources that would satisfy social demands.

He said that the changes in Europe are exciting, but interest in Latin America could be lost. The president expressed his concern over the situation in Latin America because of the dependence that exists abroad, which he felt should be reduced to overcome the economic crisis.

Salinas de Gortari described relations with the United States as good and based on respect, adding that the renegotiation of our debt was as much in our own interest as in the United States' interest. That is why they helped us, he said.

In reference to drug trafficking, he said that it is a problem that calls for international coordination. However, he added, in the interior of Mexico, the responsibility for this problem belongs exclusively to the Mexicans. The United States and other nations should do the same in their own countries, he said.

The Belgian press gave extensive coverage to Salinas de Gortari's working visit to that country, the fourth stop in his tour, which will also take him to Switzerland. The president has already stopped in Portugal, Great Britain, and the FRG.

El Salvador

Cristiani Says Perez To Work for Dialogue

PA3101231390 Madrid EFE in Spanish 2153 GMT 31 Jan 90

[Text] United Nations, 31 Jan (EFE)—Salvadoran President Alfredo Cristiani announced today that UN Secretary General Javier Perez de Cuellar will mediate to achieve the resumption of the dialogue with the Farabundo Marti National Liberation Front (FMLN).

At the end of a 3-hour meeting with Perez de Cuellar, Cristiani told the press that they had both agreed that the secretary general's efforts will fall under the framework of the terms established by the resolutions of the UN Security Council and the Central American peace agreements.

Cristiani said he could not give an exact date for the resumption of the negotiations with the Salvadoran guerrillas, but he said he hopes it "will be soon."

The dialogue between the Salvadoran Government and the guerrillas was suspended in October, and, according to diplomatic sources, the first meeting might be held in New York before Cristiani returns to his country on 8 February.

Ponce Says State of Siege Still Warranted

PA0102042990 San Salvador Canal Doce Television in Spanish 0300 GMT 1 Feb 90

[Report by Alfredo Villareal—passages within quotation marks recorded]

[Text] Colonel Rene Emilio Ponce, chairman of the Armed Forces' Joint Chiefs of Staff, today pointed out that the country's situation does not warrant lifting the current state of siege. The Legislative Assembly is expected to discuss whether to continue this measure next week.

[Ponce] "Our stance is completely offensive throughout our national territory. We will maintain this policy whether there is a state of siege or not."

The top military leader commented on the decision that the Legislative Assembly must make on 8 February. Col. Ponce said that this is a political decision and whatever the Legislative Assembly decides will be respected by the Armed Forces. However, he noted that full guarantees for national security would be nonexistent if this measure is repealed.

[Ponce] "We will respect the decision of the institutions tasked with making the decision. We believe that the situation is not yet normal enough to warrant the lifting of the state of siege. However, the decision is in the hands of the Assembly or the government."

[Reporter] "Why do you believe that there are no conditions for lifting the state of siege?"

[Ponce] "Because of the plans of the Farabundo Marti National Liberation Front [FMLN]. The FMLN plans to continue its terrorist, selective, and indiscriminate actions, and its attacks in the capital and the countryside. I believe that there are no conditions. The situation is not yet normal."

As for an offensive that the FMLN had planned for last week, the military leader said that it was foiled because Army intelligence detected it in time. Col. Ponce added that the most recent guerrilla attacks in the capital aim to frighten civilians.

[Ponce] "We believe that the FMLN is seeking to maintain a psychology of fear and complete insecurity and distrust among the population, because this works in their favor. They are involved in a purely terrorist, selective, and indiscriminate scheme. I have mentioned the indiscriminate nature before. Their recent attacks are selective. They seek to destabilize the government, create distrust in the government, and create insecurity."

As for the Victoria and Martillo Operations, Col. Ponce said that the FMLN had sustained 2,352 dead from 11 November 1989 to 30 January 1990, and he regretted the death of 537 Army troops.

FMLN Suggests Cease-Fire if U.S. Stops Aid

PA3101194690 Panama City ACAN in Spanish 1846 GMT 31 Jan 90

[Text] San Salvador, 31 Jan (ACAN-EFE)—The Salvadoran guerrillas today reaffirmed their willingness to meet with the government and the UN secretary general to agree on a date to resume the dialogue, and they proposed a cease-fire in exchange for a suspension of U.S. aid.

In a communique from the General Command, the Farabundo Marti National Liberation Front (FMLN) expressed the need to "reorient" the terms of the dialogue and negotiation to turn them into a national process in which all the country's social and political forces can participate.

"We believe the U.S. aid to the Salvadoran Government is directed against democratization and the political solution of the conflict. The suspension of that aid could form part of a negotiated agreement that would simultaneously entail a cease-fire," the communique stated.

The FMLN's message coincided with President Alfredo Cristiani's visit to the United Nations, where today he will meet with Javier Perez de Cuellar to request his good offices to achieve the resumption of the talks with the rebels, which were suspended in October.

The guerrillas stated that they hope that Cristiani's meeting with Perez de Cuellar will lead to setting a date for a future meeting.

Nevertheless, the FMLN recalled the 11 November offensive and warned that the government's insistence

on the guerrillas' alleged military weakness "will only lead to greater levels of confrontation."

The guerrillas expressed their "concern" about the Salvadoran Government and Army's rejection of Perez de Cuellar's mediation role, describing the rejection as "an obstacle to a procedure designed to bring seriousness to the negotiating effort."

"On our part," the communique stated, "we accept that mediation, and we have made efforts toward achieving it."

The Salvadoran Government wants Perez de Cuellar to play only the role of observer in the dialogue process.

Since Alfredo Cristiani took office on 1 June, the government and the FMLN have held two rounds of talks, the first in Mexico in September and the second in Costa Rica in October.

The government maintains that the FMLN should give up its weapons and join the political process as a party. However, the guerrillas demand a purge of the Armed Forces and amendments to the Constitution in exchange for a cease-fire.

FMLN Communique on UN Mediation, Cease-Fire

PA0102011890 (Clandestine) Radio Venceremos in Spanish to El Salvador 0010 GMT 1 Feb 90

[Communique issued by the General Command of the Farabundo Marti National Liberation Front on 30 January; place not given]

[Text] Concerning the prospects for the dialogue-negotiation based on the mediation of UN Secretary General Javier Perez de Cuellar and the debate in the U.S. Congress on the aid to El Salvador, the Farabundo Marti National Liberation Front [FMLN] reports:

1. We have viewed with great concern the government and Army's rejection of Mr. Perez de Cuellar's participation in the dialogue-negotiation process as a mediator. This attitude is an obstacle to a process that could facilitate the negotiation effort. We have accepted this mediation, and we have undertaken efforts to achieve it.

2. The state of siege, the assassination of Social Democratic leader Hector Oqueli, the doubtful and insufficient initial results in the case of the Jesuit priests, the absence of conditions for the political activity of the opposition, the continuation of the persecution of churches, and the lack of freedom of speech through the direct or covert gagging of the press show that Cristiani's government is carrying out a policy of confrontation with all the country's social and political forces. For this reason, the terms of the dialogue-negotiation must be reoriented so that it will be turned into a national process with the participation of all those forces.

3. We view as gravely erroneous the persistence of a government policy based on the idea of the FMLN's alleged military weakness. This position, similar to the one presented prior to 11 November [date of the beginning of the FMLN military offensive] will only lead the country to greater levels of confrontation.

4. We reaffirm our willingness to hold the meeting of both sides with the UN secretary general soon. We hope that Mr. Cristiani's visit to the United Nations will lead to such a meeting and that we can agree with the mediator on the date to hold it.

5. We believe that the U.S. aid to the Salvadoran Government is directed against democratization and a political solution. The sending of signals to one or another sector of the government or Army, using the pressure of setting conditions or threatening the end of aid, does not resolve the problem. We believe the members of the U.S. Congress can make an important contribution to ending the war in our country by agreeing to suspend that aid, something that could form part of a negotiated agreement that would simultaneously entail a cease-fire.

[Signed] FMLN General Command

Commanders Salvador Sanchez Ceren, Jorge Shafik Handal, Francisco Jovel, Eduardo Sancho, Joaquin Villalobos

30 January 1990

Deputy Security Minister on Strengthening Security

PA0102024590 San Salvador EL MUNDO in Spanish 27 Jan 90 p 1

[Text] In view of the attacks perpetrated against the residences of government officials, Deputy Security Minister Colonel Orlando Inocente Montano has announced special security measures that will provide greater protection to all personnel assisting the government, who because of their positions have become targets of terrorist groups.

Col. Montano made this statement after two recent attacks: one against the residence of Deputy Interior Minister Colonel Carlos H. Figueroa and the second against the residence of ANTEL [National Administration for Telecommunications] President Saul Suster in which two of his bodyguards were killed and two others wounded.

Referring specifically to the security measures to protect high-ranking government officials who could become victims of terrorist attacks, Col. Montano said: "The current plan to provide security to government officials has been beefed up. We are adding more service personnel and are improving the weapons used by them. Some officials are already presenting the requests. We are also developing an intelligence plan, which will reveal in advance any terrorist activity against government officials.

"These attacks," the deputy security minister said, "are carried out by FMLN [Farabundo Marti National Liberation Front] terrorists. The terrorists are trying to create fear among government officials and their families so they abandon their jobs and the democratic path that will permit them to work for the benefit of the people in accordance with their official and personal capabilities."

According to the deputy security minister, he has sent notes to government officials instructing them that bodyguards should be attentive to any movement that could mean the preparation of an attack against any government official, so they can be warned.

Regarding rumors of a new FMLN offensive, Montano said that just as it could happen this weekend it could also happen next week, because once they are detected terrorists change their plans for actions.

Authorities To Return Campus to University

PA0102044890 San Salvador Canal Doce Television in Spanish 0300 GMT 1 Feb 90

[Report by Marco A. Guevara—passages within quotation marks recorded]

[Text] Education Minister Rene Hernandez Valiente said today that the University of El Salvador [UES] campus will be turned over to university authorities on 2 February, as agreed today during a meeting between the Armed Forces, the Administrative Affairs Court, Education Ministry officials, and UES authorities.

[Hernandez] "We held a meeting this morning attended by the UES rector, the UES secretary general, Colonel Francisco Elena Fuentes, Dr. Rafael Flores y Flores, and the education minister. At this meeting attended by Administrative Affairs Court, Armed Forces, UES, and Education Ministry officials, we discussed a specific issue—the return of the university campus to the UES authorities. We unanimously agreed, in a very cordial atmosphere, that this must be done in a strictly orderly manner. The presence of the Administrative Affairs Court is necessary because university property is part of state property. Although the university is autonomous in academic, economic, and administrative aspects, it is also true that it is part of the state."

According to the minister, the only condition to turn over the university campus is that an inventory of the university property must be taken with the participation of delegates from the Administrative Affairs Court.

[Hernandez] "The meeting was quite short, since we agreed to turn the campus over to the university authorities in an orderly manner with the participation of the Administrative Affairs Court, not only to carry out an inventory but also to audit operations carried out by university authorities."

[Reporter] "What about the date?"

[Hernandez] "We have established a date, the day after tomorrow, 2 February, when we will hold a meeting. The venue of the meeting has not been set yet."

Minister Hernandez Valiente said the 1990 school year will begin on 1 February and that 1.5 million students are expected to enroll this year.

Soldier Arrested in Killing of Community Leader

PA3101232290 Panama City ACAN in Spanish 2208 GMT 31 Jan 90

[Text] San Salvador, 31 Jan (ACAN-EFE)—Colonel Francisco Elena Fuentes, commander of the 1st Infantry Brigade, today reported that the Salvadoran Army arrested a soldier suspected of killing an activist of a community organization.

An Army communique indicated that soldier Jose Luis Carranza was arrested after being implicated in the 29 January killing of Blanca Marina Quinteros, a member of a community organization in the suburbs of northern San Salvador.

Col. Francisco Elena Fuentes, commander of the unit to which Carranza was assigned, said that the soldier has been placed under military arrest to begin the investigation and determine who is responsible, because "this command will not allow these abuses of authority to go unpunished."

According to neighbors, Blanca Marina Quinteros was killed as she was carrying water to her house when she was hit by a shot fired by the soldier, who was on patrol in Ayutuxtepeque, north of San Salvador.

According to sources, Quinteros was arrested after the start of the guerrillas' bloody offensive on 11 November but was later released.

FMLN Gives Battle Reports for 12-21 Jan

PA0102040990

[Editorial Report] (Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 16 January reports that from 12-14 January, Farabundo Marti National Liberation Front (FMLN) fighters conducted an operation in the Chichontepec Volcano area, leaving 20 casualties among Salvadoran Army troops. The same report adds there were clashes on 8 January in the area of Dulce Nombre de Maria, Chalatenango, where the guerrillas sabotaged three power poles and inflicted three casualties. Radio Venceremos goes on to report that on 14 January the rebels ambushed 25 soldiers who were travelling in a military vehicle near Rancho Quemado,

Ilobasco, where "it is believed several soldiers were killed and wounded," while the truck was destroyed. To conclude the battle reports, this Venceremos cast reports that there were eight casualties when the FMLN attacked enemy troops in El Amatillo on 14 January.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 1800 GMT on 18 January reports the FMLN fighters inflicted 12 casualties on the Arce Battalion in Chapeltique, San Miguel Department.

A 4-minute report on (Clandestine) Radio Venceremos in Spanish to El Salvador at 1800 GMT on 19 January says that the FMLN inflicted two casualties on Army troops in La Paz on 12 January, and nine casualties in Tecoluca on 15 January. In conclusion, the station reported that the Army sustained six casualties as a result of am ambush in the Jiquilisco area.

(Clandestine) Radio Venceremos in Spanish to El Salvador at 0000 GMT on 22 January carries a 5-minute report summarizing the main military actions that took place from 15-21 January when the FMLN "inflicted 79 casualties on the enemy." The report specifies the casualties include one dead lieutenant and one lieutenant who lost a leg, and that "three helicopters were damaged in Guazapa." During the same period of time, Radio Venceremos reports, the FMLN fighters seized one LAW rocket launcher and blew up 18 power poles, and "Comrade Beto fell in combat against the Belloso Battalion in Guazapa Hill."

The same report notes the destruction of a bridge 3 km from Izalco, on the highway joining San Salvador with Sonsonate, as well as an act of sabotage against a gasoline station in the San Salvador downtown area, emphasizing the "heavy wearing down of elite troops of the Rapid Deployment Belloso Battalion." The report notes that on 20 January FMLN guerrillas attacked several enemy positions in La Laguna, El Pico Hill, and El Talamo Hill, all in Chalatenango, inflicting "many" casualties on the Cobra Battalion.

The same Radio Venceremos broadcast also reports fighting took place on 19 January in Guazapa Hill, where the FMLN inflicted seven casualties on the Belloso Battalion. In addition, there were other battles on 20 January in the same area, resulting in eight more casualties in the Belloso troops. In the same cast, Radio Venceremos reports that on 19 January, the FMLN carried out a 75-minute attack against "enemy positions of the 5th Brigade and the National Guard" southeast of San Vicente City that resulted in two "enemy casualties." In the same cast, the station reports that on 21 January the FMLN guerrillas ambushed a military vehicle carrying national guardsmen from Ilobasco to Sensuntepeque, inflicted 12 casualties, and destroyed a military vehicle.

Honduras

Callejas Plans Central American Tour in March

PA3101195290 Hamburg DPA in Spanish 1813 GMT 31 Jan 90

[Text] Tegucigalpa, 31 Jan—Honduran President Rafael Leonardo Callejas has announced a Central American tour in March to discuss various topics with his area counterparts.

Callejas said that on 27 January—the day of his inauguration—Central American presidents met with U.S. Vice President Dan Quayle and stressed the need to improve the price of coffee in view of its importance to the economies of the countries in the area.

Callejas said that his visit to the Central American countries is subject to confirmation. He added that his tour will include Nicaragua, where he plans to meet with the current president, as well as with the winner of the 25 February elections, provided that those elections are honest.

Minister Says Government To Demobilize Contras

PA3101184390 Panama City ACAN in Spanish 1718 GMT 31 Jan 90

[Text] Tegucigalpa, 31 Jan (ACAN-EFE)—Honduran Foreign Minister Mario Carias Zapata stated today that the new government headed by President Rafael Leonardo Callejas supports the demobilization and repatriation of the Nicaraguan contras stationed in Honduran territory.

He stressed the "firm" official decision that about 12,000 armed anti-Sandinists and their civilian families, estimated at about 30,000, should leave Honduras, according to the regional peace agreements.

He said that the demobilization is not proceeding as fast as his government would like "because it is being hindered by logistical and humanitarian issues."

Carias Zapata cited as an example, that the contras claim they have not received "the necessary guarantees for their repatriation" from the Nicarguan Government.

He said that the contras are also concerned "about the places they will be relocated if they return to Nicaragua."

The Honduran Foreign Ministry said that many of the contras are peasants whose farming background and aspirations should be borne in mind when offering them worksites in Nicargua.

Carias Zapata stressed the new Honduran Government's interest in "speeding" the repatriation of the Nicaraguans.

The exodus of the contras, their families, and thousands of Nicaraguan refugees to Honduras started after the victory of the Sandinist revolution in July 1979.

The U.S. Government gives them food and financial and material aid, through what U.S. Ambassador to Honduras Cresencio Arias called "a moral commitment that we have had with them for several years."

Callejas Meets With Taiwan Vice Premier

OW3001075390 Taipei Domestic Service in Mandarin 2300 GMT 27 Jan 90

[Text] New Honduran President Callejas stressed today that Honduras (?values) its relations of friendship with the Republic of China [ROC]. He said he expects that the relations of friendship and cooperation between the two countries would continue to grow. Callejas made the above statement when he met with Shih Chi-yang, deputy premier of the Executive Yuan of our country, in his provisional office in Tegucigalpa.

Callejas was sworn in today as the 76th president of Honduras. It marked the country's first peaceful transition of power to an opposition party in 57 years. His term will run through January 1994. More than 40,000 w tched the new president's swearing-in ceremony at the state stadium. Also present at the ceremony were special envoys from 60 countries. Deputy Premier Shih Chi-yang also attended the ceremony as representative of our country. Other foreign dignitaries, include Venezuelan President Perez, Guatemalan President Cerezo, Salvadoran President Cristiani, Costa Rican President Arias, and U.S. Vice President Quayle.

President Callejas noted that he had visited the ROC twice, first in 1976, when he was (?minister) [words indistinct]. He made the second visit as chairman of the ruling party of Honduras. During his second visit to China, he met and exchanged ideas with our President Li Teng-hui and other senior government officials on matters concerning the relations between our two countries. He is very impressed with the progress our country has made in various fields. He also appreciates the assistance ROC has rendered to Honduras.

Changes in Armed Forces Command Announced

PA3101213590 San Pedro Sula LA PRENSA in Spanish 31 Jan 90 p 16

[Text] Tegucigalpa—The Senior Council of the Armed Forces has appointed new military unit commanders who will assume their posts tomorrow as part of a reorganization of the Armed Forces Command that was announced several weeks ago.

Army Spokesman Colonel Manuel Suarez Benavides made the announcement. Colonel Lazaro Melanio Avila Soleno, commander of the Public Security Force, was the only one confirmed in his post.

Here are the appointments officially announced yesterday, which are the first appointments since General Arnulfo Cantarero Lopez, the new Armed Forces commander in chief, assumed office:

Colonel Jesus Banegas Medina, chairman of the Joint Chiefs of Staff

Colonel Mario Hung Pacheco, general auditor of the Armed Forces

Colonel Luis Alonso Discua Elvir, Navy commander

Colonel Roberto Mendoza Garay, Air Force commander

Colonel Jose Francisco Bustillo Murcia, director of population and immigrations policy

Colonel Ruben Rolando Torres, Armed Forces inspector general

Colonel Alvaro Antonio Romero Salgado, director of the Armed Forces Command and Staff School

Colonel Luis Alonso Valderramos Molina, Army inspector general

Colonel Manuel Suarez Benavides, manager of the Honduran Telecommunications Enterprise

Colonel Jose Oscar Flores, Armed Forces public relations director

Colonel Carlos Quezada Aguilar, Armed Forces deputy public relations director

Col Suarez Benavides, the outgoing military spokesman, said that the changes will be made gradually and that the names of the new heads of battalions, brigades, and other units who will serve under new Armed Forces Commander Gen. Cantatero Lopez will be announced today.

He added that some of the current military unit commanders not mentioned among these changes will be either confirmed or or removed from their posts.

Suarez Benavides denied reports that several members of the 5th promotion of officers had made retirement requests en masse.

He noted that only two requests of that type have been made by officers, adding that those requests will be duly studied.

Nicaragua

Ortega Discusses Bush, Contra Threats

PA3101231590 Managua BARRICADA in Spanish 22 Jan 90 pp 1, 5

[Report by Martha M. Gonzalez]

[Text] Region 1, Las Segovias—FSLN [Sandinist National Liberation Front] presidential candidate and Nicaraguan President Daniel Ortega is holding President George Bush responsible for the contras' threats against and dangers to the Sandinist campaign. However, despite these threats, there was a great and enthusiastic turnout yesterday in three Segovia area towns where peasants ignored the mercenaries and came down from

the mountains to acclaim the men they will vote for in ballot box No. 5 on 25 February.

The effectiveness of the EPS [Sandinist People's Army] and the MINT [Interior Ministry] prevented the contras from attacking or infiltrating yesterday's rallies. These rebels had received orders from contra leaders "Tirso" and "Rogelio" and were 4 km away from Quilali the day before the rally, but they were expelled from El Sungano Hill at gunpoint.

"Don't let them try to wash their hands later," Daniel Ortega warned Bush when criticizing these threats as new evidence of the efforts to block the Nicaraguan electoral process.

Acclaimed by more than 20,000 town and country residents of three municipalities of Las Segovias, President Ortega inaugurated one of the most modern ENCAFE [Nicaraguan Coffee Enterprise] warehouses at the entrance to San Juan del Rio Coco. In Telpaneca, the president presented parish priest Msgr. Ernesto Gutierrez with the 10th Anniversary Order.

The president criticized the bank expropriations of peasant properties as an infamous measure implemented by former contra leader Alfredo Cesar when he was financial adviser of the revolutionary government in its first few months. He announced that compensations will be paid to those who lost their land as a result of such measures.

Approximately 19,000 residents of the heroic Quilali, San Juan del Rio Coco, and Telpaneca showed their affection, love, and support for President Daniel Ortega during a campaign tour of the area yesterday.

There were truly many people there, and someone even compared the rallies to "a river that overflows during the rainy season." Peasants, women, youths, children, and patriotic producers were there to prove their confidence in the FSLN. The contras were 4 km away from Quilali, and the day before the rally Sandinist troops clashed with the rebels six times on El Sungano Hill where one SMP [Patriotic Military Service] member was killed and another four were wounded. The contras pressured peasants not to attend the FSLN rally, but to no avail.

Ambushes had been planned on the Quilali-San Juan de Rio Coco road. Some 30 Somozist guardsmen, headed by Tirso and Rogelio, had been ordered to stage ambushes and members of their group had been told to infiltrate the rally. However, all their efforts were useless because of the efficiency of the State Security Office and the EPS. With this attitude, the contras thus threatened the life of President Ortega and the Sandinist candidates yesterday.

"From here I accuse the Yankees of whatever might happen to us, so later they will not wash their hands," the Nicaraguan president charged.

Daniel Ortega was welcomed with firecrackers and a great celebration by the people, who raised their hands showing their five fingers as a way to show that on 25 February they will vote for No. 5 on the ballot. The presidential candidate received several gifts, including corn, coffee, flowers, baskets, and cottage cheese.

Quilali was the bastion of the Sandinist struggle and the main scenario for the anti-imperialist struggle between 1927 and 1934, with El Chipote Hill as its historic landmark. In Telpaneca, the peasants had to fight hard for the land that was in the hands of the Portillo, Delgado, and Ardon families.

The contras have only brought the worst to this area in the past 10 years of the revolution. They have destroyed cooperatives, production units, schools, and health centers, and have killed and kidnapped people there.

The FSLN has offered the best to Quilali, San Juan de Rio Coco, and Telpaneca. More than 18,000 manzanas were delivered to the peasants. The FSLN has built 1,256 houses, created 10 new rural towns, built 48 new schools, including a high school, and 14 rural cafeterias for children. In addition, more than 4,000 peasants are receiving financing.

A presidential decree benefited seven Sandinist cooperatives of Quilali and San Juan del Rio Coco with a 4-year income tax exemption. They receive this benefit because they are bastions of defense and because of their efforts for economic recovery in the middle of a war, President Ortega explained.

At the entrance to San Juan del Rio Coco, Ortega inaugurated one of the most modern ENCAFE warehouses, which cost more than 1 billion cordobas and has a daily storage capacity of 25,000 quintals.

At the massive rally, the Nicaraguan president recognized the heroism of the people of Quilali, San Juan de Rio Coco, and Telpaneca. He also honored 10 distinguished men and women whom he decorated with the 10th anniversary order. The honored group included Msgr. Ernesto Gutierrez, the Telpaneca parish priest.

Discussing economic problems, Ortega recalled that Alfredo Cesar, now an UNO [National Opposition Union] leader but once a Central Bank president, formulated economic policies which "I did not approve because he was always involved in political matters," and with these policies he hurt a lot of people. He took away land from them because of debts they had. He emphasized: "I gradually found out about this, and this is why I am telling peasants that, if any one lost land because the bank took it away from him, then approach me because we are going to compensate them."

He reiterated that things like those done by Cesar is what the UNO will try to do with its so-called economic plan, which intends to eliminate small producers so that they can become large ones.

Daniel urged Quilali, San Juan de Rio Coco, and Telpaneca residents to mark the ballot where they find Sandino's red and black flag. He told them: "Do not fear,

the contras will not know that you voted for the FSLN. Do not get too enthusiastic writing Viva Sandino slogans on the ballot because your vote will be invalidated. The more votes we get, the greater the contra defeat."

Ortega Creates Cooperative Development Fund

PA3101233690 Managua BARRICADA in Spanish 27 Jan 90 p 6

[Text] Before members of cooperatives from western Nicaragua on 26 January, Nicaraguan President Daniel Ortega announced the Nicaraguan Government's decision to create a Cooperative Development Fund. The fund will initiate its operations with $10 million, which will serve to solve the pressing needs of the Nicarguan cooperatives.

During a cooperative movement assembly held at the Miguel Angel Ortez Institute in Chinandega and with the participation of Commander Jaime Wheelock, Nicaraguan agricultural development and agrarian reform minister, President Ortega read the decree approving the creation of the Cooperative Development Fund. The decree states that the fund's priorities will be to help cooperatives located in war zones and those with the lowest financial and economic development.

In statements to the local press, Minister Wheelock said that the Cooperative Development Fund has five specific objectives: It will invest in the cooperatives' social and economic infrastructure, sponsor the development of small economic projects, increase production levels, improve agricultural and technical assistance for cooperatives, and it will educate and train the members of cooperatives with low cultural and administrative levels.

Wheelock added that the fund will be regulated by a board of directors, which will be in charge of allocating resources to the various Nicaraguan cooperatives. The Cooperative Development Fund will also help cooperatives to obtain loans at lower interest rates than those given to other cooperatives. The fund will also subsidize existing special interest rates.

Wheelock said that the Cooperative Development Fund will be administered by the National Development Bank in trusteeship. Cooperatives will be granted loans, and they will return to the fund financial resources obtained from their production. Wheelock added that the government will provide fresh resources to the fund every year with the donations it receives, specifically with those linked to donations of fertilizers.

Finally, Wheelock said that there are 3,150 cooperatives in the country, but that the fund will give priority attention to those located in war zones and to those of a lesser financial and organizational development. This will permit the government to help and solve the problems that those cooperatives are facing as a result of the war, since they will be given new resources and land to work on.

Arce: 'No Excuse' for U.S. To Sustain Contras

PA0102040190 Managua Radio Sandino in Spanish 1200 GMT 29 Jan 90

[Text] Last weekend Nicaraguan Commander Bayardo Arce said that the United States has no excuse to prevent the demobilization of the contras now that President Ortega has decided to release former Somozist guards and contras once he wins the 25 February elections.

Arce made this statement in reference to one of the excuses used by the Bush administration to continue supporting the contra movement.

After a meeting with former U.S. President Jimmy Carter, Bayardo Arce said he expressed his party's concern over the murders carried out by the contras who want to sabotage the election process.

Arce indicated that the government granted a special permit to the UNO [National Opposition Union] leaders to pick up 90 vehicles, which were acquired with U.S funds, from the Nicaraguan Customs Office. Arce reiterated that the White House has no excuse for sustaining the contra movement.

[Begin Arce recording] We have repeatedly stated that once the contras are demobilized, we will grant amnesty to the over 1,000 counterrevolutionaries and Somozist guards who are still imprisoned here. The United States has used the amnesty issue as an excuse to avoid contributing to the demobilization of the contras.

For that reason, President Ortega wisely decided that on 25 February, once the revolutionary process is reaffirmed through the Sandinist Front election victory, he would immediately grant that amnesty.

The question is, therefore, what other excuse will the United States seek to avoid supporting the demobilization of the contras? The Sandinist Front has already won. There are no prisoners. So now what? [end recording]

Arce Discusses UNO 'Front Organizations'

PA0102020890 Managua BARRICADA in Spanish 24 Jan 90 pp 1, 5

[Text] Commander Bayardo Arce, director of the Sandinist National Liberation Front [FSLN] campaign, has said that the UNO [National Opposition Union] has created a series of front organizations, such as the IPCE [Institute for Electoral Promotion and Instruction], to evade compliance with Nicaraguan laws, which stipulate that 50 percent of foreign donations must pass to a Fund for Democracy managed by the Supreme Electoral Council.

The Sandinist leader challenged UNO directors to prove the contrary. He also urged them to clarify the destination of the dollars they have deposited in several bank accounts abroad.

Arce said the U.S. Congress, which approved a $9-million package to intervene in the Nicaraguan electoral process, should investigate the links between the UNO and these front organizations.

Arce said that the IPCE is not the only organization getting money earmarked for the UNO, but also the Civic Way, the Workers Permanent Council (CPT), the Youths Training Center (CEFOJ), LA PRENSA, and radio stations such as Radio Corporacion, Radio Mundial, Radio San Cristobal, etc.

The FSLN would not ask the U.S. Congress to investigate what is going on, he clarified, because that would be equivalent to attributing to the Congress supranational powers it does not have.

In addition, Arce believes that congressmen are neither naive nor fools. They are fully aware of what the IPCE is and of the IPCE relationship with the UNO and its nature as a front organization.

Moreover, Arce said, the way in which the $9 million were distributed—so that only a minimum portion was alloted for the CSE—was intentional. The U.S. Congress was fully aware of this when it approved those funds.

The three main directors of the IPCE are UNO political leaders, including Silviano Matamoros, member of the UNO Political Council, and leader of the National Conservative Party.

The only public activity the IPCE has carried out is an announcement to vote on 25 February, featured in an UNO television advertisement.

However, the major evidence of the facade nature of the IPCE, according to ARCE, is that UNO campaign manager Antonio Lacayo purchased office equipment for the electoral alliance using IPCE funds. Arce presented the invoice as evidence.

The government has no responsibility at all for the delays the IPCE is experiencing in withdrawing the funds approved by the U.S. Congress, since the delay is because the IPCE is not legally registered. That is, it has not legally authorized to carry out any kind of operations.

President Daniel Ortega on 22 January received a request to legally register the IPCE. However, since the new term for the National Assembly began on that same day, he sent the interested parties to the Assembly.

Daniel Ortega will send a copy of the petition to the National Assembly, but the IPCE representatives will have to present an official petition.

Arce pointed out that this procedure is being carried out at the last minute. It looks as if the IPCE representatives are trying to make this procedure appear difficult and beset with obstacles to justify a possible withdrawal from the elections or an accussation of fraud in view of the overwhelming evidence that the UNO is already defeated.

To avoid giving them excuses for this, the government decided to authorize disbursements for the UNO and the IPCE, although the corresponding money, which would would guarantee the Central Bank the payment for the disbursement, had not been deposited.

The Sandinist campaign director admitted that the large sums of money UNO is receiving through the NED [National Endowment for Democracy] and other sources is not clearly traceable.

One explanation for the unclear destination of the large sums of money that UNO has been receiving might be that the foreign aid money is being misappropriated. Arce said there are serious disagreements within the UNO and that several of the UNO leaders have been accused of using some of those funds to refurbish homes, buy cars, and open foreign bank accounts with U.S. dollars.

Dr. Hernaldo Zuniga Montenegro, the UNO's legal representative, said he does not know the destination of so many millions of dollars reported by Commander Arce and that he can only be held accountable for what that the electoral alliance has received from October until today.

Zuniga said that the only thing that has been handled by his office since October is the document authorizing $3,584,350 for his organization. Half of this amount has been transferred to the CSE. He said: "I am not familiar with the validity of the documents in the hands of Commander Arce." Zuniga also said that IPCE is not formally linked to the UNO, although the IPCE president is Matamoros, a member of UNO Political Council.

Zuniga said IPCE has been unable to withdraw all of its funds from the Central Bank because IPCE still does not have legal status. Zuniga said that IPCE's directors did not think this legal status was necessary for this transaction.

Zuniga said that the agreement signed with two NED institutes on the use of the money donated by the United States stipulates that the funds cannot be used in UNO's election campaign or for its candidate, but only in encouraging citizens to vote or for voter education. "For instance, the vehicles we bought cannot have UNO signs displayed on them or be equipped with loudspeakers for propaganda purposes."

Zuniga said he does not know whether the NED has filed any charges against the UNO for the way it has used the funds or not. He said, however, that NED has in Nicaragua a number of accountants for conducting audits.

Asked whether an audit has been performed, Zuniga said: "I could not say for sure. Only the finance committee knows."

UNO's legal representative said that the Ministry of External Cooperation delayed the delivery of funds for UNO. He does not know the exact amount of the donation but noted that the amount for vehicles alone was $700,000.

Commander Arce commented on some of Zuniga's remarks: "I am not surprised. He is an honest man. He wanted to lead the PCDN [Democratic Conservative Party of Nicaragua] to that pro-U.S. alliance, but he failed and was expelled from the party. As a consolation, the UNO gave him this post of legal representative.

Although he admits that Zuniga could not know about the funds, Arce invited him to ask Matamoros, Alvin Guthrie, Dona Violeta, Alfredo Cesar, Guillermo Potoy, Antonio Jarquin, and others whose names appear on the lists of persons who received money from the NED and other organizations.

Arce also encouraged Zuniga to investigate the foreign bank accounts situation to determine whether these funds are being taken from UNO's assigned amounts for personal use or whether they are still part of the coalition's assets.

UNO's Chamorro Addresses Rally in Nindiri

PA0102041690 Managua Radio Corporacion in Spanish 2300 GMT 29 Jan 90

[Speech by Violeta de Chamorro, National Opposition Union presidential candidate, in Nindiri; date not given—recorded]

[Text] My dear friends of Nindiri; those who are gathered here in this enormous square; those who welcomed me to the municipality and accompanied me all the way to this square; compatriots, as my husband used to say and as I will say until the last day of my life. [applause]

I want to thank you for this emotional, enthusiastic, and patriotic welcome for UNO, the National Opposition Union. [Crowd shouts: "Long live UNO!"]

I must confess that it is difficult for me to hold these rallies, because I had an accident at home not long ago. I broke my knee, and my leg was put in a cast. Neither the constant pain nor the inconvenience caused by the cast, however, prevents me from being here with you today. This rally is part of this glorious election campaign, which we will conclude with our election victory on 25 February. [applause]

I made a commitment to you and to all the Nicaraguan people. I also made a commitment to my husband, Pedro Joaquin Chamorro Cardenal. I must lead this election movement, which will culminate with the enormous democratic and peaceful victory of UNO on 25 February. I represent UNO, and I will become the new Nicaraguan president. [applause] I will fulfill my commitments.

We will do three important things after we win the elections and form the government of national salvation. First, we will establish peace and national reconciliation among all Nicaraguans. Second, the government of national salvation formed by UNO will solve the enormous economic crisis caused by the Sandinists. Third, we will inaugurate a legal and democratic state. [applause]

Sandinists Reportedly Arming Paramilitary Groups

PA0102011290 Managua Radio Corporacion in Spanish 2308 GMT 31 Jan 90

[Text] The Sandinists are providing weapons to paramilitary groups in order to sow chaos when they lose the elections. This afternoon a military source disclosed to Radio Corporacion that the Sandinist Army's hierarchy ordered that handguns be given to all members of the Sandinist party. According to our source, the purpose behind this is to sow chaos on election day once the Sandinists realize they have lost the elections.

They are providing Makarov pistols and sufficient ammunition to the army and the paramilitary groups, and ordering them to shoot and create panic so that no one will take to the streets to demand recognition of the opposition's victory.

According to the military source, the weapons have been given to the individuals trusted by the hierarchy, particularly the so-called Special Brigades.

Managua Press Election Review for 26 Jan

PA3101182090

[Editorial Report] The following is a review of selected reports published in the Managua press on 26 January dealing with the Nicaraguan election campaign. Press reports on major developments in the election will be processed and filed separately by FBIS Panama Bureau.

The Sandinist National Liberation Front's [FSLN] official newspaper BARRICADA highlighted the FSLN's 25 January campaign activities in two front-page stories in its 26 January issue. A dispatch from M. Peralta reports on President Daniel Ortega's "dialogue" with the people of El Viejo, Chinandega Department. According to the dispatch President Ortega scoffed at the National Opposition Union's [UNO] promise to resolve the country's economic situation in 3 months, and said that if the UNO "has not been able to agree on how to distribute the money that the U.S. Government has given it" for the electoral campaign, one can imagine "what it would do with such an important task as handling the nation's economy."

In another campaign development reported in the same issue of BARRICADA, the FSLN laid claim to better economic management skills. A story by Juan Ramon Huerta reports that incumbent Vice President Sergio Ramirez Mercado told participants at a campaign rally in Wiwili, Jinotega Department, that "current studies

forecast stable economic improvement" and that although "120 percent inflation was expected in January, the inflation rate is currently a mere 5 percent, which means that we might close the month with a total of only 8 or 9 percent." According to the report, Ramirez Mercado added that "there will not be an increase in fuel or transportation rates; at least not in the next 3 months."

President Ortega also painted an encouraging portrait of the economy during a campaign swing through San Carlos, Altagracia, Moyogalpa, and San Jorge on an unspecified date. A report on page 8 of the 26 January issue of EL NUEVO DIARIO says that Ortega announced in San Jorge that "in 1990 Nicaraguan exports will increase to more than $300 million per year because the FSLN government has promoted the cultivation of nontraditional products that will be sold on the international market." According to the report, President Ortega added: "The UNO 'geniuses' criticized the construction of the July Victory Sugar Mill, but the mill is going to bring in $20 million, non-traditional products are going to bring in $27 million, cotton $6 million, and beef $2 million. This will more than compensate for the $36 million we are going to lose due to the drop in coffee prices."

Going back to the 26 January issue of BARRICADA, page 3 carries an interview with vice presidential candidate Ramirez Mercado by Roberto Fonseca. In the interview, Fonseca asks Ramirez Mercado about the possibility of "a social pact or government of national unity." Ramirez replies that "after the electoral victory, the FSLN will call upon all of the country's social, political, and economic sectors to seek a concerted economic and social plan." Ramirez Mercado warns, however, that the FSLN does not contemplate this type of concerted action as far as the task of running the country is concerned. Ramirez Mercado says that the FSLN "has never mentioned a government with the participation of the UNO or any other political party," and stresses that the FSLN has no "plans to relinquish its basic responsibility of running the government." The FSLN, Ramirez adds, will rule "with its own cadres and its own forces. It is going to implement, to carry out, a government plan. It is going to consolidate peace and nurse the economy back to health."

BARRICADA continued to play up the themes of division and misuse of electoral funds within the UNO in a report on page 4 of its 26 January issue. The report says that the UNO Political Council, headed by vice presidential candidate Virgilio Godoy, "is at loggerheads with the presidential candidate's team, mainly with Alfredo Cesar and Antonio Lacayo;" that Political Council member Gustavo Tablada "does not share Antonio Lacayo's position that if the government does not turn the money over to the Institute for Electoral Promotion and Instruction the UNO should charge fraud in the event of an FSLN victory;" and that Eli Altamirano, of the Communist Party of Nicaragua, is the "main opponent" of Alfredo Cesar within the UNO alliance. The report also says that UNO leader Alejandro Perez Arevalo was extremely concerned because the UNO "has no money. We have no money to pay our militants. We have no money to pay the taxes on the jeeps that have just arrived." The report adds that asked about the "many millions that the UNO has received, as proven by the evidence presented by Commander Bayardo Arce," Perez replied: "I don't know anything aboaut any more funds. All I know is that we are strapped for cash."

Media Report Harassment of Opposition Activists

PA3101192290

[Editorial Report] Managua broadcast media carried several reports from 23-30 January on harassment to which opposition parties and activists claim to have been subjected.

Managua Radio Corporacion in Spanish at 2300 GMT on 23 January carries a report citing Agustin Jarquin Anaya, president of the National Democratic Confidence Party, saying that his party had complained to the Supreme Electoral Council, CSE, about various acts of harassment that had been committed against party members. Jarquin said that for example, on 19 January, party activist Carlos Alberto Molina was arrested at his home in Ciudad Sandino, physically mistreated, and charged with being a Somozist henchman. Jarquin gave the names of several other party members in various parts of the country—Agustin Rivera, (Gilda Tali), Jose Rodriguez, and Esperanza Robleto—who had been harassed as a result of their party affiliation.

The report indicated that the appropriate charges will be filed with international organizations such as the OAS, the United Nations, the Carter Commission, and others, as this is believed to be a manifestation of the government's policy of neutralizing opposition sectors.

In the same broadcast, Radio Corporacion reported that "a few minutes ago," a group of taxi drivers had come to the station to report that authorities of the Construction and Transportation Ministry had warned them that if they failed to participate in a demonstration for Daniel Rambo Nueve, a candidate of the Sandinist National Liberation Front, scheduled for 24 January, they would be sanctioned and would not be allowed to purchase any more Lada automobiles.

Managua Radio Catolica in Spanish at 1130 GMT on 25 January carries a report citing Antonio Lacayo, campaign chief of the National Opposition Union, UNO, as charging that UNO representatives on the vote-counting board had been threatened by members of the state security organization, who were pressuring UNO representatives to resign. Lacayo maintained that state security officers go to the various towns, locate the chief UNO representative, and attempt to bribe or threaten that individual into exchanging the names of UNO representatives who are to serve as pollwatchers for

people suggested by State Security. Lacayo said that candidates for deputy or councilmen have also been pressured to resign.

Managua Radio Corporacion in Spanish at 2300 GMT on 29 January carries a report stating that in Nindiri, Rene Membreno, a former Sandinist judge and the wife of the town's mayor, had threatened UNO peasant leader Jose Ramos with the loss of his land because he let his house be used for an UNO meeting.

In the same cast, Radio Corporacion cited UNO member Jose Miguel Marin Gurdian as saying that he has been threatened by members of the Sandinist National Liberation Front and the state security organization. In the report, Marin Gurdian said that the threats had been made because, as coordinator of the UNO campaign in the Roberto Huembes Market area, he had invited the UNO candidate for mayor of Managua to speak to supporters in the market area.

Managua Radio Corporacion in Spanish at 1200 GMT on 30 January carries a recorded report by Reynaldo Hernandez, UNO national treasurer, on actions taken by the Sandinist government to place obstacles before UNO's electoral campaign. Hernandez said that vehicles that were donated for the UNO campaign are being held up at customs. He added that UNO has requested a radio frequency to communicate with its various departmental offices, but so far, it has had no success. He said that although the UNO request was forwarded by the CSE 2 weeks ago, to date no response has been obtained from the Nicaraguan Telecommunications and Postal Services Institute.

Editorial on Bush, UNO 'Pretexts' in Election

PA0102010290 Managua BARRICADA in Spanish 30 Jan 90 p 3

[Editorial: "Bush and UNO Without Pretexts"]

[Text] Over the weekend, representatives of the Supreme Electoral Council [CSE] and the Institute for Electoral Promotion and Instruction [IPCE], the cover organization for UNO [National Opposition Unity], signed an agreement of capital importance for checking the results of the electoral process. In accordance with the agreement, IPCE, meaning the UNO, agreed to obey the CSE's regulations and authority and to use the $1.6 million approved by the U.S. Congress for training electoral supervisors only, as U.S. law stipulates, and not for proselytizing. If the UNO abides by what it signed in the agreement, the organization would have no excuse not to recognize the FSLN's [Sandinist National Liberation Front] 25 February victory.

UNO's allegations of the lack of fairness in the electoral process have been collapsing one after another in the course of the preceding months. This has happened to such an extent that the events have forced them to revoke their main charge, the CSE's alleged lack of balance. Instead, UNO has ended up praising the CSE. Other debated subjects, such as access to the media, freedom of expression, and electoral procedures, have been amply clarified in the reports by international observers, thus narrowing down the UNO's complaints even more.

Nevertheless, there is always a last-minute excuse. Last week, UNO campaign director Antonio Lacayo invoked as the only pretext not to recognize possible adverse electoral results the fact that the funds for IPCE have not yet been disbursed, funds the organization would presumably spend in training supervisors. Now that the CSE authorities have taken the bull by the horns, Lacayo is morally duty bound to be the first to announce UNO's commitment to admit to a clean defeat—unless, as it will likely happen, UNO's mouthpiece does not have Washington's authorization to announce steps that would automatically force Bush to immediately normalize relations with the Sandinist government.

Is Bush's government prepared to accept a clean Sandinist victory? This question implies that there are no doubts about the Sandinist triumph. At present, this issue heads the agenda of priorities of the U.S. Congress and the U.S. press. Most people think that if there are a large number of international observers participating in the elections neither Bush nor UNO could avoid recognizing the will of the Nicaraguan people, especially if Bush and UNO have been previously stripped of their pretexts and excuses.

It is important to stress that in addition to stripping the IPCE of its pretext, the CSE announced a new deadline for the registration of party poll representatives yesterday. The CSE urged all political forces to appoint their poll representatives immediately. Apart from the fact that nobody can blame the CSE because at this stage some parties have not yet appointed their representatives, we believe the CSE has adopted the appropriate measure. Nobody could be more interested than the Sandinist Front in having the poll representatives of all the small and large opposition parties certify a clean Sandinist victory in the polls.

Furthermore, we believe that insofar as its financial resources permit, the CSE should give the party poll representatives of all parties, especially of those with fewer resources, the appropriate means (training, transportation, and per diems) with which to adequately fulfill their crucial responsibility. If the problem is indeed the lack of resources, why does the CSE not use the funds of the IPCE, whose objective is "to consolidate the democratic process"? Is there perhaps a more democratic option to solve the problem of the party poll representatives than that one?

Editorial Views Sandinist Attitude on Election

PA0102034990 Managua LA PRENSA in Spanish 29 Jan 90 p 2

[Editorial: "FSLN Forced To Admit Defeat"]

[Text] If Ortega fulfills his promise made yesterday before former President Carter, the electoral process will undoubtedly win credibility inside as well as outside Nicaragua. President Ortega accepted to release the funds from the U.S. aid alloted for the Institute for Electoral Promotion and Instruction, IPCE, which will allow the opposition to train its poll watchers and consequently verify the entire electoral process. Ortega also agreed to stop harassing the opposition party poll watchers and international observers, who have been maintaining that if there are no opposition poll watchers at the polling tables it will be impossible for the elections to be considered clean and honest.

However, Ortega did not recognize his party's abuse of state resources. Former President Carter announced that the Supreme Electoral Council [CSE] will control payments for rented vehicles and state resources for any party in the campaign. In view of the merger of the State-Sandinist Party, it is obvious that the Sandinists will continue to ignore the calls urging them to stop abusing state property for the benefit of their party. Likewise, Ortega has not responded to the call made by international observers and the people so that all parties have a more equitable participation in the media. This is an aspect of inequality that is an insult to all Nicaraguans.

We recognize that Sandinism, at least for the time being, has given up its open, reactionary, and armed persecution during opposition rallies. However, signs of repression still prevail, which are worrying because they generate an atmosphere below the most basic level of justice. It is also necessary to recognize that the CSE has made efforts to maintain the electoral process within the law ruling it and has shown determination when imposing its authority, even though it cannot overcome many of the vices inherent to the totalitarianism of the Sandinist Party—which stem from the fact that the FSLN once believed it was the absolute owner of Nicaragua and acted as if it was.

Taking into account all aspects in the process, it is necessary to point out that the electoral climate has changed. The wise appeals by the CSE along with those by the observers' missions, and particularly events taking place abroad, are having a positive influence on a process that is not ideal but is necessary. If to this slow but progressive evolution toward electoral justice we add the lead Mrs. Chamorro has over Ortega—according to independent polls predicting UNO's [National Opposition Union] victory—we must believe that the FSLN will have no other alternative but to accept, as the East European parties did, that there is an honorable place called opposition from which, acording to civilized norms, the recovery of power lost in the elections is planned.

Although grave pressure, many threats, and incorrect strategies—seeking to make voters, especially in rural and peasant areas, unconcerned—still persist and will be continued by a Sandinism that has not yet accepted the need to have a clean electoral process, we must make very clear that the arrogant attitude of partially retaining power or not surrendering it when losing the elections will have to change. International pressure and the defeat predicted in the polls for the FSLN is of such magnitude that the FSLN will have no other alternative but to accept the election results and turn power over to Violeta Chamorro.

Because of all this, LA PRENSA urges all Nicaraguans who want a change—the overwhelming majority of the country's population—to turn out en masse to vote on 25 February. The change is a fact: Democratic victory is near with the vote of all Nicaraguans in favor of UNO.

Commentary Views FSLN, UNO Victory Scenarios

PA3101231490 Managua Radio Corporacion in Spanish 2300 GMT 29 Jan 90

[Station commentary]

[Text] We do not know if it is because of the skepticism of the Nicaraguans, who are so used to doubting everyone and everything, perhaps with reason because we have been told so many lies, but the truth is that many people say that if the Sandinists lose the elections, they are not going to relinquish power to the winner. This belief is shared by both educated and uneducated people regardless of their talent or training. This skepticism is always in the back of everyone's mind. Some say this will always be the case.

It is worthwhile to stop and think, without prejudice, using reason and logic based on reality and without fatalist thoughts. Let us suppose the Sandinists win the elections. We repeat that this is hypothetical. If they win, they will surely exploit their victory to the utmost. Knowing their boisterous nature, there will be several days of festivities. After the celebration, they will have to face reality, which is that they will have to become credible and obtain recognition from other countries.

Empty words and the usual promises are not enough to achieve this. They have to show that they are interested in the country's democratization. To this end, they will have to demilitarize their outdated and failed so-called historical project. If they do not take these steps, the victory and the celebrations will be useless because what is essential, what is needed to govern, will not be forthcoming: the fresh money, the dollars that have been missing for many years, the lack of which has led the country to ruin. People are not fed with weapons. What is needed is investments to produce. However, not only money is needed. We need peace and calm, which are the

main foundations for fostering credibility and confidence so that everyone will devote themselves to work to lift the country out of stagnation. If the Sandinists are not willing to make this investment, they will totally sink and, to use their own words, be thrown onto history's trash heap.

Now, let us now suppose just the opposite. Let us suppose that the National Opposition Union [UNO] wins the elections. To govern, it needs to control all the country's institutions and implement its government program. It must make the appropriate appointments and make efforts to have all active citizens become productive individuals. The huge army must be reduced, and its members who are of school age must be educated while other members must be employed in line with their ability and dedication.

Here is the crux of the problem. This is where the greatest doubt among citizens lies. Many people say that the Sandinists will not relinquish power. If this happens, it would be a virtual coup d'etat, causing a serious crisis.

Let us look at reality. Can anyone believe that a government that is a product of a coup d'etat can maintain itself in power, that it would obtain the recognition of other countries, and that the aid and the investment, which is so necessary to overcome the current chaos, would come? No, definitely not. If Sandinism loses the elections, it will have to relinquish power. If it wins, it has no other option than to democratize the country. Let us dispel doubts and let us get ready to vote in February.

Panama

Endara Stresses No New National Elections

PA0102004790 Panama City Telemetro Television in Spanish 2317 GMT 31 Jan 90

[Text] The Panamanian people do not want new elections to legitimize the government of reconstruction, President Guillermo Endara has announced. The international news agencies have reported statements by U.S. Vice President Dan Quayle, who said Endara could call for new elections that would legitimize his government.

[Begin recording] [Endara] We did not talk about holding new elections. We talked about the possibility that elections for legislators might be held in certain circuits—perhaps eight or nine circuits—where the Electoral Tribunal cannot proclaim winners as a result of missing voter tally sheets. We spoke about that, and perhaps this is to what the UPI report refers.

We do not need new elections. The majority of the Panamanian people voted in the 7 May elections for the Civic Democratic Opposition Alliance in an overwhelming manner. We are legitimate, as we have over 70 percent of the Panamanians' votes. In addition, we know that the polls show the Panamanian people do not want new elections. The Panamanian people went to the polls and voted, and there is no reason to hold new elections.

[Reporter] However, Mr. President, the Latin American countries have conditioned recognizing the new Panamanian Government on a referendum or new elections. What do you think of that?

[Endara] We do not accept any conditions from any country, no matter how much we like our distinguished Latin American brothers and the very distinguished and cherished Latin American presidents. We never asked them to verify their legitimacy after they were elected, so we do not want them to verify our legitimacy, because we were granted our legitimacy by the Panamanian people on 7 May 1989. They have no right to demand any such preconditions.

[Reporter] On another subject, there are charges that the new government is making mass dismissals. Is this going to be reconsidered? What is the outlook?

[Endara] A commission is working on this issue. So far, I know there have been cases of justified dismissals, such as members of the Dignity Battalions, Committees for the Defense of the Fatherland and Dignity, and paramilitary groups, of persons who were frightening public officials. These are the dismissals I know of.

[Reporter] On the other hand, the comptroller general has recommended reducing the government payroll to a minimum. The country's economic situation is becoming quite risky for the government to be able to provide answers for the community. What do you think?

[Endara] Undoubtedly, the fiscal situation is very grave. There is no doubt that the comptroller general is right when he says that the government payroll must be reduced. However, the comptroller also knows—and we have discussed this—that these payrolls cannot be reduced by creating a worse unemployment situation for Panama. The unemployment situation in Panama is grave as it is. It has to be handled in an extremely careful manner, and that is the way it will be handled. All officials of this administration are going to handle the unemployment situation in a very careful manner.

[Reporter] Thank you. [end recording]

Labor Minister Denies Mass Dismissals

PA0102034090 Panama City LA ESTRELLA DE PANAMA in Spanish 18 Jan 90 pp 16, A-8

[Text] Labor and Social Welfare Minister Jorge Ruben Rosas yesterday said the duty of the Labor Ministry is to "pay more attention to labor - management relations with the participation of labor unions." However, he warned, the Labor Ministry believes there is "no room for combining objectives alien to those inherent to a labor union."

During an interview granted to LA ESTRELLA DE PANAMA, the former legislator and well-known Panamanian attorney said that the position of the Labor and Social Welfare Ministry is "to act with a sense of purist equity and justice."

Rosas denied that there have been mass dismissals of employees from looted stores or enterprises. "We are making an effort to avoid taking extreme measures," the labor minister noted.

"We are continuously talking with the parties involved," Rosas said, referring to the situation affecting over 100 stores in Panama City that were looted.

During the talks with workers, employers, and Labor Ministry officials, we are seeking ways to reach an agreement that will permit employers to pursue all sorts of ways to rebuild their businesses and that will allow workers to give their employers the time needed to achieve that objective, thus preventing worker dismissals.

"We are doing such things as modifying the terms of labor agreements regarding the dismissal of workers and other agreements so that workers will not lose their jobs and will retain the right to be reinstated in their jobs at any time."

Referring to the detention of labor leaders and former labor leaders, Rosas said the detention of Mauro Murillo [secretary general of the National Central Organization of Panamanian Workers] occurred before he became labor minister. "That situation has been resolved," Rosas added.

Despite the mass looting in Panama City and Colon, the constitutional government of Guillermo Endara issued a Cabinet decree dated 12 January 1990 that establishes the following:
12 January 1990
His Excellency Jorge Ruben Rosas, labor and social welfare minister
Mr Minister:

I am enclosing an authenticated copy of Cabinet Decree No. 10 "that regulates some provisions contained in the Labor Code" approved during the Cabinet Council meeting held today.

I take this opportunity to reiterate to you my utmost consideration.
Presidency Minister Julio Harris
Enclosure: as indicated.

Cabinet Decree No 10 (Dated 12 January 1990)

"Which regulates some provisions contained in the Labor Code."

The Cabinet Council

Considering:

That a large number of enterprises that represent the source of employment for thousands of Panamanian workers from all social and economic levels have suffered damage affecting their operations;

That there are hopes there will be an economic recovery in the short term;

That Title III of the current Constitution contains provisions for situations similar to the existing situation, which requires special measures of social interest and public order;

That one of the primary duties of the Labor and Social Welfare Ministry is to protect sources of employment and to make efforts to help boost national production by strengthening the confidence of entrepreneurs and workers and to help reduce unemployment.

Decrees:

Article 1. Before dismissing workers for causes listed in Number 7, Paragraph b, Article 21 of the Labor Code, employers must obtain a previous authorization from the Labor and Social Welfare Ministry to dismiss workers. Dismissals carried out without fulfilling this provision will be fully unjustified, and the employer will have to reinstate the dismissed worker.

Article 2. The deadline to present requests for suspension of operations and for the verification of the facts on which the petition is based is extended until 19 January 1990.

Article 3. The parties affected are urged to negotiate temporary agreements on work conditions to overcome the current critical situation and to recommend the suspension of the effects of work contracts for extendable periods of time, provided they express the will of the two parties, are of a temporary nature, and have the approval of the Labor and Social Welfare Ministry.

Article 4. In cases where work contracts are suspended for unforseeable reasons or acts of God that imply the definitive suspension of the employers' activities, the employer may request the authorization for dismissal based on the cause stated in Article 1 of this decree, provided it is confirmed that the circumstances persist.

Article 5. This Cabinet decree will be in effect after its approval, and its stipulations are retroactive to 20 December 1989, because it it deals with public order and is of social interest.

To be promulgated and executed

Issued in Panama City on the day of the month of of 1990. [as published]

Signed by: President of the Republic Guillermo Endara Galimany Government, Justice Minister Ricardo Arias Calderon, Planning and Economic Minister Guillermo Ford, Foreign Minister Julio Linares, Public Works Minister Rene Orillac, Finance and Treasury Minister Mario Galindo, Education Minister Ada de Gordon, Labor and Social Welfare Minister Jorge Ruben Rosas, Health Minister Jose Trinidad Castillero, Commerce

and Industries Minister Juan B. Chevalier, Housing Minister Raul E. Figueroa ,Agriculture Minister Ezequiel Rodriguez, and Presidency Minister Julio Harris

PRD Leader on 'Occupation Troops' in Nation

PA0102025090 Hamburg DPA in Spanish 2035 GMT 31 Jan 90

[Text] Mexico City, 31 Jan (DPA)—Today a major leader of the Torrijist opposition in the Mexican capital said that the U.S. occupation troops have so far failed in their attempts to consolidate the government of Guillermo Endara and to organize a police force in Panama.

During a news conference, Ramiro Vasquez, former secretary general and currently a member of the Democratic Revolutionary Party's (PRD) Political Commission, also proposed the installation of a transition government tasked with holding democratic elections.

Vasquez said that the U.S. Government cannot yet withdraw its troops from Panama, because of its failure to consolidate the Endara regime and organize a police force to support it.

Moreover, he said, there are members of the former Panama Defense Forces headed by General Manuel Antonio Noriega in the country's northern, central, and western areas, although they are reportedly inactive and in disarray.

He specifically mentioned members of the elite troops, who are reportedly dispersed in Altos de Pacara; members of the "Machos de Monte" Brigade in the Central region; and one-half of the members of the Paz Battalion and of the Panajungla [military jungle training school] in Chiriqui Province.

Vasquez said that approximately 1,500 people are under detention in "concentration camps" and 400 others are in various jails in the country.

He reiterated a seven-point plan proposed by his party to the opposition as a whole that includes the withdrawal of the invading troops, nonrecognition of the "illegitimate" Endara government, the installment of a transition government, a call for elections, and compliance with the Torrijos-Carter treaties.

Newspaper Director Letter on Public Force

PA3101233790 Panama City EL SIGLO in Spanish 25 Jan 90 p 14

["Text" of letter from EL SIGLO director Jaime Padilla Beliz to Vice President Ricardo Arias Calderon in Panama City—date not given]

[Text] Dr. Ricardo Arias Calderon, vice president of the Republic and government and justice minister

Dear Friend:

With due respect for your investiture as vice president of the Republic and minister of government, and with the affection of a friend and comrade in struggle, I am sending you this open letter out of my deep concern regarding the establishment of the new Panama Defense Forces [FDP] under the name of the Public Force, which is ominous in many ways given its resemblance to the former FDP, which was obliterated by the U.S. Army.

I want to remind you that last year—I believe it was before the elections—we had lunch together along with Guillermo Cochez, and we talked about political alternatives, especially about the future of the FDP and its possible elimination or transformation. I remember that you expounded on the subject and said more or less the following: "The future of the FDP depends on how we achieve power. If we achieve power through the elections and through dialogues and agreements, the most we can expect is for the FDP members to return to their barracks and dedicate themselves to fulfill the role they have been assigned by the Constitution. If we achieve power through a revolution or as a result of a civil war, then we might be able to dissolve, eliminate, or replace them with a civil guard, or a rural or metropolitan police force, as in Costa Rica." The last thing, although in an unexpected way, is what happened. We achieved power thanks to the foreign army that dissolved the assassin army of Noriega, the dictator.

Nevertheless, everything seems to indicate that we are preparing the groundwork so that an army, similar to the one that has just been destroyed, can be organized in the future. This will not be forgotten, and our children, whom this army will subdue in the not too distant future, will curse this generation, which was not able to govern this country without the presence of brute force.

I do not refer to the Public Force, which resembles the Noriega regime's FDP. I believe that—even though this is a constitutional problem—it is a matter of semantics. It would have been much better to use the name of civil guard or rural police, as in Costa Rica, to eliminate the hateful word "force" in the name of a corps whose duty should be to protect the citizens' honor and possessions. The present is nurtured by experience and the past, and you, who know history well, are aware that the best example we can use for counsel and guidance is that of Costa Rica—where a similar situation arose in 1948. This resulted in the abolition, once and for all, of the Army, the military, and with them, the fear of coups d'etat, dictatorships, and humiliations like the ones the Panamanians have just suffered. The Costa Ricans eliminated all vestiges of the military and created a police corps made up of civilians in several different institutions that were not all dependent on any single organization.

It is not true, and you have confirmed this to me, that an army is needed to defend the canal from local terrorist actions. You personally told me that not more than 500 soldiers without tanks, aircraft, or war material are needed to cover the three 8-hour shifts. All that is needed are conventional weapons and, above all, an effective neutrality treaty. These things and nothing more. However, that is not what is happening.

Despite President Endara's statements and your own statements—that we will never have an army—we are preparing the groundwork for one, copying the same pattern, repeating the same mistake that was made in the past.

If this is not so, why do you continue with the hateful military roster, and why does our democratic government have the audacity to appoint colonels and lieutenant colonels, and to authorize promotions within this context? Were we not only going to have a civil police with administrative titles such as commander, etc., as in Costa Rica? Policemen do not have barracks, they have offices. Here we are repairing the barracks that were not destroyed by the people's fury. Some minor changes are being made in form, but not in substance.

You saw Julio Miller's television program "Never Again," and you also saw Channel 13's program on the same subject; you saw the homicidal fury of simple soldiers against the people—attacking them without provocation and beating them savagely. These are the same 12,000 men whom you have again hired for the new Public Force. However, you are not naive; you know that the change in command will not change the character of these 12,000 men. They are still 12,000 soldiers awaiting their master's voice to again order them to go out in the streets and impose the will of a future Noriega. The Noriega of the year 2000.

I should not generalize, because reason tells me that among those 12,000 soldiers there are many—or at least a few—of different temperament. Nice guys, good people who do not share the others' savagery. There must be some, but I do not know who they are. I notice that 12,000 of the 14,000 soldiers of the former FDP have been reinstated, which means that only approximately 2,000 are considered "tainted," the others having already bathed in the River Jordan. But that is not the main point. The fact is that only former members of the dictatorship's FDP have been incorporated into the Public Force. This, despite hundreds of unemployed—many of them university students or university graduates—who have filled out useless applications to work for this new institution. Why has none been accepted? "Colonel" Herrera says that it is because they have no training. I ask: What training do you need to be a policeman? Soldiers need training.

On two occasions—in 1988 and 1989—I had the opportunity to speak at length with General Fred Woerner [former U.S. Southern Command commander in chief] at his home, and always about Noriega and Panama. You see, I was trying to convince him that the United States was to blame for creating this evil monster. Once this fact was recognized, training outside Panama could be acquired for a number of Panamanians to organize an attack force. Woerner never agreed that the United Stated was to blame, but he did confess that if we thought we had problems with Noriega, we would find out in the future the degree of corruption "of all the FDP officers." I think he exagerrated when he said "all officers," because there must be some who have not been corrupted, but I do not know who they are. Woerner said that he had psychological profiles and biographic information on nearly all the FDP officers and that Panama would always have problems with them. Thank God the FDP was destroyed and eliminated from the lives of Panamanians, but some of their officers have been called to join the new Public Force.

I do not know Colonel Eduardo Herrera, but I refer to my fellow journalist Roberto Eisenmann's words on 18 January, when he said: "There is an imminent danger that the same historical error of sowing the seed of militarism is being committed again. We know that there is no U.S. Government policy to militarize our country again, but U.S. advisers—all military—might be tempted to promote a plan that allows the quick withdrawal of their troops.

I also know Eduardo Herrera, a comrade in exile. Eduardo Herrera is a career military officer and, as such, is unable to create a civilian police corps, which is what the country needs. Assigning a military officer the task of creating a civilian police is tantamount to asking a butcher to perform open-heart surgery. These are two completely different disciplines. The new Public Force should be receiving Costa Rica's advice, etc."

I have quoted the article of my colleague, Eisenmann, and I, surprisingly, support it completely.

I also want to remind my friend, Arias Calderon, about the times when the National Guard, and the National Police before them, existed. These entities used to manipulate the civilians' policies, although in a more disguised and less cynical way. We all know the story of how Colonel Jose Antonio Remon removed and installed presidents whenever he felt like it; and how our former politicians could always be seen at the barracks—except for Dr Arnulfo Arias, who always fought the interference of policemen and military officers in the country's administrative affairs.

With the right earned through many years of struggle against militarism, which have led me to fight in the mountains and to live in exile more than once, I raise my voice of concern to tell you, Dr Ricardo Arias Calderon, that the citizenry is perplexed by the turn of events. It seems that there is no connection between what is said and what is done.

We are preparing the groundwork so that the current members of the Public Force can progressively expand and strengthen itself, and—supported by corruptible and corrupt politicians of the future, who will always exist—return to punish another defenseless and unprotected nation made up of our children and grandchildren.

Costa Rica set the example, Mr Vice President. All we have to do is follow it!
Sincerely yours,
Jaime Padilla Beliz

Argentina

New Intelligence, Defense Officials Sworn In

PY3101225890 Buenos Aires DYN in Spanish 1028 GMT 31 Jan 90

[Text] Buenos Aires, 31 Jan (DYN)—President Menen has sworn in Hugo Anzorregui as the new director of the Secretariat for State Intelligence (SIDE), replacing Juan Yofre, who resigned. The ceremony was held at the White Hall of Government House last night. The new defense secretaries were also sworn in during the ceremony.

New Defense Minister Humberto Romero administered the oath of office to new Defense Secretary Omar Mohamad Vaquir. Colonel Jean Charles Joseph Ignace Uranga, retired, and Jorge Levy were sworn in as defense production secretary and under secretary, respectively. Carlos Vattuone and Arturo Saccone were sworn in as technical planning secretary and under secretary, respectively.

Army Chief General Isidro Caceres, Justicialist Party President Antonio Cafiero, Cabinet ministers, Senate President Eduardo Menem, Chamber of Deputies President Alberto Pierri, former SIDE Secretary Juan Yofre, Justicialist leader Deolindo Bittel, and sportsman Daniel Scioli attended the ceremony.

Jose Palacios, Motor Transport Workers Union [UTA] secretary general, and other UTA leaders also attended as Anzorregui had been the union's legal adviser until he was appointed to the SIDE.

New SIDE Director 'Not Aware' of Dismissals

PY3101171890 Buenos Aires Domestic Service in Spanish 1500 GMT 31 Jan 90

[Text] Hugo Anzorregui, the new SIDE [Secretariat for State Intelligence] director, who was installed yesterday afternoon, has said that he is not aware of massive dismissals in the SIDE. A report had said that more than 1,000 dismissal notices were telegrammed to SIDE officials before the resignation of Anzorregui's predecessor Juan Bautista Yofre.

Reshuffle at Foreign Ministry Reported

PY3101213390 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1230 GMT 31 Jan 90

[Text] Buenos Aires, 31 Jan (NA)—According to Foreign Ministry spokesmen, Foreign Minister Domingo Cavallo has appointed Peronist leader Guillermo Seita as his new Cabinet chief. Seita will replace Matias Ordonez, who will be assigned to a different post within the ministry.

Cavallo has also accepted the resignation of National Ceremonies Director Enrique Quintana, who resigned following an argument with Interior Minister Julio Mera Figueroa and left his post to his deputy, Julio Allende.

The sources told NOTICIAS ARGENTINAS that Deputy Foreign Minister Mario Campora will continue at his post until he can be assigned to a new position abroad. Diplomatic sources have said Campora will be named ambassador to the UK if Great Britain will accept him when relations are resumed next month.

Cavallo's new Cabinet chief served as special affairs ambassador in Europe and North America until today. He has a long Peronist history. Peronist sources recalled that in 1983 Seita arranged a confidential meeting between then Peronist presidential candidate Italo Luder and Italian Prime Minister Giulio Andreotti. Seita also arranged the first visit of labor leader Saul Ubaldini to the Vatican, among other [words indistict].

Kohan Comments on Party Discipline, Criticism

PY3101220890 Buenos Aires DYN in Spanish 1316 GMT 31 Jan 90

[Text] Buenos Aires, 31 Jan (DYN)—Secretary General of the Presidency Alberto Kohan announced today that the government "is asking" the Justicialist Party (PJ) national board to take a definite position regarding public criticism by some party congressmen because the government believes that type of criticism is a sign of lack of discipline.

Kohan refused to comment on any concrete measures the government expects the party to adopt against the dissident deputies. He pointed out, however, that the PJ board "will adopt" the appropriate "decisions" at the 17-18 February meetings in Mar del Plata.

Kohan's comments, which were made at Government House this morning, are another example of the concern being expressed by the executive branch and the main PJ leaders over the past few days. This concern was made public last week when President Menem charged the deputies criticizing the government's performance with being "ultraleftists."

Kohan said: "There are matters related to internal party discipline that must be made entirely clear, and this is what we are requesting."

Asked whether the dissident deputies should be punished or expelled from the party, Kohan explained: "We are not talking about expelling anyone from the party. We are talking about implementing party rules." He said: "We will comply with the party rules for these cases." Kohan also pointed out that the government

believes "there must be discipline within the parties and that those who disrespect this discipline must be penalized."

Brazil

Collor's Close Adviser Coimbra Profiled

PY3101175890 Sao Paulo FOLHA DE SAO PAULO in Portuguese 29 Jan 90 p a-5

[Text] Ambassador Marcos Coimbra, 62, has been a member of Fernando Collor's advisory team since September 1989. Coimbra; Renan Calheiros, the (PRN) [National Reconstruction Party] federal deputy for Alagoas State; and economist Zelia Cardoso de Mello form Collor de Mello's team of closest advisers.

Coimbra heads Collor de Mello's transition team which has its office in the "Bridal Cake" building, the popular name for an annex of the Foreign Ministry in Brasilia. Coimbra is also the future president's spokesman for the business community.

Coimbra's first duty was to coordinate the agenda of Collor de Mello's presidential campaign. He also arranged President-elect Collor's trips abroad—the first trip was made during the presidential campaign while the other is taking place now.

As a diplomat, Coimbra held the post of charge d'affaires at the Brazilian Embassy in Havana during the Cuban revolution. He was protocol chief of the then President Costa e Silva (1967-1969). His most recent post was that of Brazilian Ambassador to Greece. He is currently on leave of absence from Itamaraty.

Leda, 47, Collor's oldest sister, is Coimbra's second wife. Coimbra has two children by his first wife. His sons are Gastao, a 37-year-old diplomat, and Marcos Antonio, a 39-year-old political scientist. Marcos Antonio is the owner of the Vox Populi Research Institute and is considered to be the "master" of Collor's campaign.

Coimbra is the son of a rancher from the interior of Minas Gerais. He has refined taste. He likes to play golf and collect golf clubs. Among his favorite books are those written by the classical Greek philosophers.

As Collor's brother-in-law Coimbra has access to Collor's private life. He usually has breakfast at Casa da Dinda, which is Collor's private house. Coimbra's office at the "Bridal Cake" building is near the future president's cabinet office.

Might Head Civilian Household

PY3101182190 Sao Paulo FOLHA DE SAO PAULO in Portuguese 29 Jan 90 p A-5f

[Report by Mauro Lopez]

[Excerpts] During the flight that took President-elect Fernando Collor de Mello and his entourage from Washington to Tokyo—a trip of more than 13 hours—Ambassador Marcos Coimbra admitted, during a long and informal conversation, that he might be the chief of the Civilian Household of the presidency.

During this phase prior to Collor's inauguration, Coimbra has emerged as the strongman of the president-elect's team. One example will be enough to show the prestige and influence of Coimbra, who is Collor de Mello's brother-in-law: The president-elect took his own sister and her husband Marcos Coimbra to an unscheduled dinner with U.S. President George Bush on the evening of 26 January. The dinner has so far been the most important event in Collor's tour.

Coimbra, who has calmly assumed his new powers, serenely said that the Civilian Household will lose its current ministerial status. "Power depends on the person holding the post," he said. Coimbra added that if he is actually appointed, he will become a sort of superchief of the presidential cabinet.

The powers that Coimbra expects to have can satisfy the ambitions of any politician. He said that if he is appointed chief of the Civilian Household, he will transmit presidential orders to the ministers, he will coordinate the action of ministries, and he will manage the presidential cabinet. He believes that such broad powers will not generate envy because he has no political ambitions for the future.

As the Brazilian ambassador to Greece, on leave since September, Coimbra has dismissed speculation on his possible candidacy for Itamaraty. "By no means," he said, adding that the Foreign Ministry is in need of major changes, and this can cause problems with his friends.

Coimbra believes that Itamaraty has been affected by the military regimes and that it is time to put it back on the right course. For the post of Foreign Minister he would like a politician who enjoys nationwide respect. The first mission of the future Foreign Minister will be to restructure Itamaraty so ambassadors and diplomats can act more aggressively in defense of Brazilian interests. [passage omitted]

Looking tired but in a good mood, Coimbra commented on a thorny issue, namely, Collor's announced intention to be his own finance minister. "He will assume the

responsibility for the work of all his ministers," Coimbra said. [passage omitted]

Coimbra's profile is similar to that of Secretary of State James Baker. Baker has so much power and is so close to the U.S. President that whenever Mrs Bush does not accompany the U.S. President on Air Force One, the extra bed on the plane is reserved for Baker. Similarly, if Rosane Collor does not accompany Fernando Collor on a flight, Marcos Coimbra will surely be there.

Chile

Silva Refers to Future Relations With Bolivia

PY3101145390 Santiago Domestic Service in Spanish 0930 GMT 31 Jan 90

[Text] All Bolivian political parties have rejected a recent statement by future Chilean Foreign Minister Enrique Silva Cimma.

During a meeting held in La Paz, Bolivian politicians criticized President-elect Patricio Aylwin's minister for saying he will not take into account the Bolivian claims for an outlet to the sea. They termed Silva Cimma's statement regrettable and said that it does not contribute to a possible resumption of diplomatic relations between the two countries.

Recently Silva Cimma, the president of the Radical Party and spokesman for the Coalition of Parties for Democracy, while commenting on his future duties as Chilean foreign minister, said that bilateral cooperation without reference to the Bolivian landlocked situation was possible.

All the Bolivian political parties have decided to reject Silva Cimma's statement and stated that they hoped it was only Silva Cimma's personal opinion and not that of the entire Chilean people.

At the end of a meeting with President-elect Patricio Aylwin, Silva Cimma disclosed that he received a letter from Bolivian President Jaime Paz Zamora expressing his desire for joint action for the benefit of the two countries.

When asked about the Bolivian political parties' reaction to his recent statement regarding the Bolivian claim for an outlet to the sea, Silva Cimma said that he had only reiterated a traditional Chilean position.

[Begin Silva recording] My statement is a mere reiteration of the traditional Chilean position, which is the best basis for maintaining bilateral relations with them. These bilateral relations will be maintained within the traditional framework of the Foreign Ministry. I have just received a very warm letter from the Bolivian president, who is a personal friend of mine. It is an extremely warm letter. [end recording]

Silva Cimma disclosed that during his meeting with Aylwin they had discussed some details about the presidential inauguration ceremony and the meeting he had held with Foreign Minister Hernan Felipe Errazuriz to learn about the pending issues with bordering countries.

National Gendarmerie Director Ojeda Resigns

PY3101200790 Santiago Radio Chilena Network in Spanish 1600 GMT 31 Jan 90

[Text] Colonel Christian Labbe, minister secretary general of government, has reported that the government has accepted the resignation of National Gendarmerie Director Colonel Horacio Ojeda, which was submitted in view of the massive escape of 49 political prisoners from the Santiago public prison.

Labbe announced this information at the end of an extraordinary meeting of authorities from the order and security forces, held upon the order of President Augusto Pinochet to discuss the escape of political prisoners.

According to Labbe, it was also agreed during the meeting that the Carabineros security forces, headed by General Gabriel Ormenos, will be in charge of coordinating the search for the escapees. Minister Labbe said the Chilean community can rest assured authorities will adopt the necessary measures to ensure that this incident will in no way jeopardize the transfer of power.

He also said that all measures to be adopted will be within legal guidelines and that the escape of the political prisoners is not a political but a police matter. This is why the search and efforts to find the terrorists will be carried out by Carabineros order and security forces.

Labbe also said that all security measures are being implemented to find the terrorists and that special guards have been posted at the various embassies to prevent the escapees from attempting to enter.

The security meeting was attended by the interior and defense ministers, the secretary general of government, and representatives of the Armed Forces, the Carabineros, the investigative police, and security forces.

U.S. 'Threats' Over Medical Patents Criticized

PY3101204390 Santiago Radio Chilena Network in Spanish 1600 GMT 31 Jan 90

[Text] The Industrial Association of Pharmaceutical Laboratories, Asilfa, views the Government Junta's approval of the draft law on industrial patents as an attack against Chile's consumers and sick people. In a declaration made public by Asilfa President Jose Antonio Plubins, the association states that the law lacks technical, legal, and moral bases and that it was approved because of direct pressure from the United States.

[Begin Plubins recording] We deeply regret that U.S. threats of economic sanctions, pressure exerted by U.S.

businesses operating in Chile, and the unfortunate support of some Chilean enterprises has prevailed over the right of each Chilean to good health. [end recording]

Plubins refuted the economy minister's claim that the law on industrial patents will not push medicine prices up. Based on a report issued by the Economic Institute of the Catholic University, Plubins said that Chileans will end up paying an additional $25 million as a result of the pharmaceutical patents.

He also voiced his disappointment over the attitude adopted by Admiral Jose Toribio Merino, with whom he met a few days ago to discuss the issue.

Further Reaction Reported

PY3101205890 Santiago Television Nacional de Chile Network in Spanish 1700 GMT 31 Jan 90

[Text] The Industrial Association of Pharmaceutical Laboratories has strongly rejected the recently approved drug patent law. Association President Jose Antonio Plubins has said that the government officials disregarded the association's request and that the negotiations were held behind Chile's back.

Plubins also said the new law was approved because of pressure from the U.S. Government. He said the law will hurt consumers and destroy the national pharmaceutical industry. Plubins also announced that the association will carry out all measures necessary to oppose the new legislation.

The Chilean Association for Consumer Defense indicated that the drug patent legislation should have been debated by the future Congress. Luis Sanchez, president of the organization, said that this issue, which is very important to businessmen, industrialists, and consumers, should have been studied by the officials of the future government. He added that he is still not familiar with the text of the law but that its consequences can be predicted. He noted that drug prices are expected to increase and that some pharmaceuticals will become difficult to obtain. Sanchez concluded by saying that pressure from the U.S. Government had a definite influence on the approval of the law.

Economy Minister Pedro Larrondo has said the new drug patent law will not affect medicine prices nor create unemployment in the national industry. He added that about 1,200 types of medicine are being commercialized in the country and that, by 1995, about four or five newly invented products will fall under the new legislation, which establishes a payment of patent rights for their production in Chile. He also rejected the charges alleging that a previous agreement had been made with other countries, especially with the United States, on drafting the new law.

Larrondo explained that the new law takes into account Chile's current trade with other countries and that an agreement was reached with the U.S. Government on the need to legislate a very important issue.

Aeroflot Officials Visit; Flights To Resume

PY3101231190 Santiago Domestic Service in Spanish 2200 GMT 31 Jan 90

[Text] The Soviet airline Aeroflot has announced plans to resume flights to Chile in the near future. Soviet executives who visited the Foreign Ministry today said their plans had been influenced by perestroyka, which has changed the situation in their country.

Colombia

Barco Confirms Antidrug Summit in Cartagena

PA0102124990 Bogota Radio Cadena Nacional in Spanish 1219 GMT 1 Feb 90

[Text] President Virgilio Barco Vargas has confirmed that the antidrug summit will be held on 15 February in Cartagena. The presidents of Colombia, Peru, Bolivia, and the United States will participate. While speaking to Radio Cadena Nacional, Barco Vargas ruled out a possible postponement of the summit, as it was recently reported in Peru, adding that the possibility has not even been considered.

He trusts that the summit will be fruitful because the conclusions and recommendations derived from it will be useful to the participating countries. Barco added that security measures for the heads of state can be trusted and have been assigned to the public forces who have already undertaken them.

Barco Defends Medellin Police Against Charges

PA0102015390 Madrid EFE in Spanish 2348 GMT 31 Jan 90

[Text] Bogota, 31 Jan (EFE)—Colombian President Virgilio Barco today defended the Medellin policemen, some of whom have been accused by "The Extraditables" of being responsible for 30 cases of missing, kidnapped, and murdered people in the last two months. "The Extraditables" are the armed branch of the narcotics-trafficking Medellin Cartel.

"The Extraditables" made these charges on 22 January in a communique which provided full names, vehicle license plate numbers, telephone numbers, and addresses of an alleged police death squad.

The narcotics traffickers also delivered to the authorities a bus loaded with one ton of dynamite to demonstrate their willingness for peace, and requested guarantees from the government to present witnesses and evidence that could help the Attorney General's office investigate their charges.

To answer such charges, President Barco read a statement to journalists and said that "those who seek to distort the actions of our Armed Forces into alleged antidemocratic doctrines are proven wrong by daily facts and history."

The president added that the "purposes hidden behind such statements are very clear. They seek to discredit the armed branch of democracy, and with this, they seek to weaken their willingness to struggle."

Barco emphasized that when some isolated members of the Armed Forces or the police are found to be committing any irregularities or crimes, these institutions "firmly punish those who have broken the regulations."

General Arturo Casadiego, deputy chief of the National Police, said yesterday that the charges by "The Extraditables" were part of a campaign of disinformation and that the narcotics traffickers lacked credibility.

Government, M-19 End Meeting Without Agreement

PA0102124390 Hamburg DPA in Spanish 0045 GMT 1 Feb 90

[Text] Bogota, 31 Jan (DPA)—Colombian Government and 19 April Movement (M-19) spokesmen concluded another meeting today in Bogota without reaching any significant agreement on the rebel group's future demobilization and reintegration into civilian life.

Top M-19 Commanders Carlos Pizarro Leongomez and Antonio Navarro Wolff arrived in Bogota last week to hold high-level political meetings to promote the signing of a definitive peace pact and alliances that would allow them to participate in the upcoming 11 March parliamentary elections. Their efforts, however, have been unsuccessful.

Last year, a peace agreement between these parties was thwarted because parliament did not approve the constitutional reform presented by the government. The reform, which had been requested by the M-19, called for a referendum to modify the Constitution.

Colombians had to authorize the implementation of a special national voter registration in the referendum. This mechanism would have allowed several M-19 leaders to win positions in the Legislative Assembly with fewer votes than is required for other political parties.

To solve these problems, and under the protection of the governmental pardon, Pizarro Leongomez and Navarro Wolff decided to travel to Bogota. Their plans were to talk to, among others, Interior Minister Carlos Lemos Simmonds, and former presidents Julio Cesar Turbay of the governing Liberal Party and Misael Pastrana Borrero and Belisario Betancur Cuartas of the opposition Social Conservative Party.

The rebel leaders, who want to participate in the upcoming elections, complain that political leaders are more concerned with their election campaigns than with the possibility of forming alliances with M-19.

At today's meeting the rebel commanders and presidential peace adviser's office spokesmen agreed to set a firm date for a meeting between the peace-process signatories next week. The signatories are the government, M-19, and the politial parties with seats in Congress.

However, the possiblity that M-19 will participate in the parliamentary elections has been clearly reduced because political sectors must register their candidates before the 6 February deadline.

In the 11 March elections, Colombians will renew the country's legislative bodies, formed by the two chambers of parliament, departmental assemblies, and municipal councils.

Number Two Man in 'Coast Cartel' Arrested

PA3101232890 Hamburg DPA in Spanish 2208 GMT 31 Jan 90

[Text] Bogota, 31 Jan (DPA)—Today the Colombian police captured Luis Leon Sanchez, an alleged narcotics trafficker charged with being the second most important man in the Coast Cartel [Cartel de la Costa], a Medellin Cartel group, and seized 463 kg of cocaine during separate operations carried out in different parts of the country.

According to authorized spokesmen, the 34-year-old Leon Sanchez was captured at a residence in the city of Barranquilla, where he was hiding.

The main "capo" of the Coast Cartel and one of the most important chiefs of the Medellin Cartel, Rafael Abello Silva, was extradited to the United States on 29 October and is currently facing narcotics-trafficking charges in an Oklahoma state court.

It was learned that Leon Sanchez, who is also wanted by U.S. justice, will be transferred shortly to Bogota to process his extradition.

Meanwhile, the police seized 463 kg of cocaine and arrested two persons connected with the narcotics-trafficking mafias during an operation carried out in the southwestern city of Tulua.

In recent weeks the Colombian authorities have seized large quantities of cocaine ready to be shipped abroad during operations carried out within the framework of the "war" the government declared 5 months ago on the drug cartels.

Media Report Recent Guerrilla Activities

PA3101215290

[Editorial Report] Colombian media and international press agencies have carried several reports from 10-31 January on guerrilla activities and Army actions against the various guerrilla groups in Colombia.

Bogota EL TIEMPO in Spanish on 10 January reported that in "violent" confrontations with members of the 24th Front of the Revolutionary Armed Forces of Colombia, FARC, five Army battalions destroyed the

largest guerrilla training school in the country, a clandestine airstrip for light aircraft, and a guerrilla camp in the Middle Magdalena region. In the fighting, which occurred at Quebrada La Concha, in the southern part of Bolivar Department, 4 soldiers were killed, including 1 officer; 7 soldiers were wounded,;and there were at least 18 guerrilla casualties.

The report stated that the operation, which lasted from 6 to 9 January, involved 1,500 soldiers from 5 battalions. When it ended, the 24th FARC Front, consisting of 120 well-armed men, had been dislodged from a wide jungle area on the borders of Santander, Antioquia, and Bolivar Departments. Authorities discovered that the guerrilla camp had antiaircraft tunnels linking the camp to the training school, a health center, and a cooperative.

Bogota Radio Cadena Nacional in Spanish at 1200 GMT on 25 January reported that an ELN camp was dismantled by joint police and Army troops at the site known as El Canon Principal in the Perija mountain range on the Venezuelan border, where the authorities rescued unharmed, rancher Luis Villarreal, who had been kidnapped on 15 January. The soldiers also killed two guerrillas and wounded two others.

Hamburg DPA in Spanish reported at 1630 GMT on 29 January that 5 soldiers were killed and at least 10 others wounded when an Army patrol was ambushed by members of FARC near the town of Mesetas, in the eastern part of the country.

The DPA report added that individuals believed to be members of the Army of National Liberation, ELN, dynamited a highway toll booth near the northwestern town of Cocorna after stealing the collected tolls.

Paris AFP in Spanish at 0532 GMT on 31 January carried a report citing General Luis Humberto Correa, commander of the Army's 7th Brigade, as saying that many guerrillas were killed in a joint Army and Air Force operation against two camps of the FARC eastern bloc in La Guajira, between the towns of Mesetas and La Uribe. The report added that the Army operation was launched on 28 January after a patrol from the Army's Vargas Battalion was ambushed by FARC members. In that confrontation, five soldiers and three guerrillas were reportedly killed, and seven others were wounded.

Bogota Radio Cadena Nacional in Spanish at 1200 GMT on 31 January reported that troops from the military headquarters at Uraba carried out a search and control operation at El Silencio Farm in (Parabando), Mutata Corregimiento, Antioquia Department. The soldiers reportedly killed one FARC guerrilla, captured seven others, and seized a large quantity of war materiel, provisions, and subversive propaganda.

Suriname

Government Responds to U.S. Ambassador's Note

FL3101220490 Paramaribo International Service in English 1730 GMT 31 Jan 90

[Text] The Government of Suriname, in a statement, said that it welcomed any form of assistance for the development of the country but it will stick to the principle of noninterference in its internal affairs. This has been laid down in a diplomatic note which the Ministry of Foreign Affairs has sent to the ambassador of the United States to Suriname, Richard Howland. The note is an official reaction on statements made by American Ambassador Howland about the visa regulations in Suriname and the role of the Army in the country. Howland last week stated in a note, among another things, that the Army is more occupied with political rather than military matters. The Surinamese Government stated in the note to the American ambassador, that it is willing to enlighten eventual misunderstandings of the developments in Suriname. The note by the American ambassador to the Surinamese Government has been condemned by, among others, the military authorities and the leader of the jungle commando, Ronny Brunswijk. The military authorities are of the opinion that the note is a far-reaching interference in the internal affairs of Suriname while Brunswijk is of the opinion that the government call the ambassador to order. The military authorities as well as the jungle commando are of the opinion that the performance of the U.S. ambassador in Suriname can disturb the peace process seriously.